MOTIVATION ■ MANAGER/PARTNER PROGRAMS ■ EXIT INTERVIEWS

THE MONTHLY MAGAZINE OF THE NATIONAL RESTAURANT ASSOCIATION VOL. 10 NO. 9 OCTOBER 1990

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RESTAURANTS USA

We're glad you're here!

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Employee communications: the foundation

ASSOCIATION MEETINGS

SEMINARS

Basic Foodservice Courses

Dining Room Management
11/12 San Francisco, CA
11/13 Los Angeles, CA
11/14 Phoenix, AZ
12/3 Pittsburgh, PA

Kitchen Management
10/15 Philadelphia, PA
10/29 New Orleans, LA
11/12 Atlanta, GA

Foodservice Management Courses

Applied Foodservice Sanitation
10/29 Anaheim, CA
10/30 W. Hollywood, CA
10/31 Sacramento, CA
12/3 Hartford, CT

Applied Foodservice Sanitation Train-the-Trainer
10/31-**11**/2 Chicago, IL

Banquet Management
10/22 Chicago, IL
10/29 Denver, CO
11/12 Portland, OR
11/13 Seattle, WA
12/3 Los Angeles, CA
12/4 San Jose, CA

Food Cost Management
10/23 Chicago, IL
10/24 Minneapolis, MN
11/13 Newark, NJ
11/14 Greensburg, PA

Marketing Strategy
10/16 Tyson's Corner, VA
11/27-28 Boston, MA

Off-Premises Catering
10/29-30 Chicago, IL

Profitability
10/15 Seattle, WA
10/23 Worcester, MA
10/29 San Diego, CA
11/27 Baltimore, MD
12/3 St. Louis, MO
12/4 Denver, CO

Promoting Your Restaurant
10/22 Los Angeles, CA
10/23 San Jose, CA
11/12 Chicago, IL
11/13 Louisville, KY

Successful Buffet Management
11/19 Nashville, TN

Takeout Delivers Profits
11/12 Boston, MA
11/13 Charlotte, NC

The Labor Issue
10/15 Chicago, IL
10/30 New Orleans, LA

For information, contact:
Educational Foundation of the National Restaurant Association
250 South Wacker Drive
Chicago, IL 60606
(312) 715-1010 or 1-800-765-2122

If your company is interested in our in-house programs, call or write to the attention of Jeff Harrison at the above address.

Note: *All Chicago seminars are held in the educational foundation's conference center at 250 South Wacker Drive.*

EXECUTIVE STUDY GROUP SERIES

Financial Officers
10/3-5 Captiva Island, FL

Foodservice Purchasing Mangers
10/25-26 Tampa, FL

Internal Auditors
9/11-14 Seattle, WA

Labor Relations/Human Resources
10/4-5 Chicago, IL

Large Independent Operators
10/10-12 Kansas City, MO

Management Information Systems
10/9-12 Denver, CO

Marketing Executives
10/17-20 Arlington, VA

Multi-Unit Architects, Engineers and Construction Officers (MAECO)
11/14-16 Miami, FL

Quality Assurance
10/1-3 San Antonio, TX

Safety Officers
8/6-8 Kansas City, MO

Tax Executives
10/3-5 Captiva Island, FL

For more information on specific study groups, contact: Philip Kralovec, (312) 853-2525.

The Executive Study Groups present semi-annual professional development programs for executives who would like to meet with their industry peers to share ideas and concerns. Executives in each of the aforementioned disciplines from member foodservice companies are welcome and encouraged to participate.

COURSES AND BOOKS AVAILABLE

Certification Courses
Applied Foodservice Sanitation
Applied Foodservice Purchasing
Managing Quantity Food Production
Management by Menu
The Financial Ingredient in Foodservice Management
Foodservice: A Managerial Approach
Legal Aspects of Foodservice Management
Foodservice Supervision: Achieving Success through People
NEW! Effective Foodservice Marketing
NEW! Introduction to the Foodservice Industry/ Introduction to Foodservice Management

Self-Development Courses
Protecting Restaurant Profits: Managing Security
Effective Communication
Managing People
Restaurant Operations and Control
Restaurant Purchasing
Bar and Beverage Management
Helping People Grow
Service: Managing the Guest Experience

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RESTAURANTS USA

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PRESIDENT'S REPORT

Michael E. Hurst, owner
15th Street Fisheries, Ft. Lauderdale, FL

New task forces to tackle issues

When the National Restaurant Association Board assembled in Washington DC last month to make policy for the association, several new task forces met to plan the course of our action in several areas. The Task Force on Environmental Concerns will explore the steps restaurant owners and employees can take to help conserve our environment. The Task Force on Solid Waste will examine programs restaurateurs can establish in their operations and in their communities to control the waste problem. The Task Force on Industry Needs will study the future needs of our industry and the methods the association should use to meet them.

Public Affairs Conference attracts 450 operators

Immediately following the fall Board meeting, the annual Public Affairs Conference brought 450 operators from 42 states to Washington. The conference gave us a chance to discuss important issues face to face with members of Congress. The association's government affairs department scheduled about 300 appointments for association members to meet with their representatives on Capitol Hill.

At the *Chef d'oeuvre* reception attendees were able to continue discussions with the more than 250 congressional representatives in a social setting, while enjoying food provided by eight of Washington's finest restaurants.

Two issues in particular were the focal point of the conference: the FICA tax on tips (H.R. 446) and the minimum-wage law. The FICA tax on tips requires employers to pay a payroll tax on tips, which are not wages. We are pressing to have the law repealed. The minimun-wage law, which went into effect last April, contains language that makes it virtually impossible to apply the small-business enterprise test. We want to amend this "glitch" so that the small-business exemption for businesses grossing less that $500,000 a year will be allowed.

Celebrate your customers

The "We're glad you're here!" campaign was launched in July by the association's communications committee. By now, you should have received the catalog and order form for this program. Our industry is facing tremendous competition, and we need to focus even more on our customers to ensure that they feel their importance to our operations. You can reinforce this concept by displaying the "We're glad you're here!" logo in your restaurant. Please join your colleagues in celebrating our customers.

Plans underway for association's platinum jubilee

Also at the Board meeting, the communications committee announced plans to celebrate the National Restaurant Association's 75th anniversary in 1994. The founding year of the association (1919) will serve as a focal point for the festivities, but we also want to collect memorablia and historical points of interest from you so

that we can present a complete history of our industry's development in the United States. You will receive more information on the celebration as our plans develop.

New foundation seminar

A new seminar has been added to the many national programs provided by The Educational Foundation of the National Restaurant Association. "Train-the-Trainer" is a seminar based on the foundation's applied foodservice sanitation/SERVSAFE course. It educates, tests and certifies participants. During this three-day program, attendees will be taught to conduct effective sanitation courses in their own operations. "Train-the-Trainer" will be held twice in Chicago—October 3 to 5, 1990, and October 31 to November 2, 1990. Additional "Train-the-Trainer" seminars are scheduled nationwide for 1991. For more information, contact the educational foundation at 1-800-765-2122.

Two new research reports

The association's research department has published some new reports. *Restaurant Spending: Consumer Expenditures on Food Away from Home—1988* summarizes spending data by household demographics. Another report, *Casual and Fine Dining*, reveals the frequency of eating out in these restaurants, based on a random sample of 1,000 adults. It also covers the occasions on which consumers chose each type of establishment.*

We welcome the 73 new members who joined our association in September. We look forward to your participation in furthering our industry's best interests.

Sincerely,

Michael E. Hurst

Michael E. Hurst
President and Chairman of the Board

*When ordering any publications, send a check or money order to the association's publications department in Washington, DC, giving title and catalogue number. To order by phone on a credit card, call the association's information services department at 1-800-424-5156 or (202) 331-5900. Both postage and handling are now included in the publication price.

The Congressional Leadership Forum Brings Politics and People Together

The National Restaurant Association's Congressional Leadership Forum (CLF) brings Congress closer to the foodservice industry. One example of a CLF-funded event is the annual **Congressional Visit Program**, which brings over 20 members of Congress to Chicago each spring to tour exhibits at the National Restaurant Association's Restaurant, Hotel-Motel Show. Escorted by constituent restaurateurs and suppliers, legislators see firsthand the enormous array of products and services the foodservice industry offers.

Association Director Bernie Schreiner with Wisconsin representatives Tom Petri and Steve Gunderson

NATIONAL
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ASSOCIATION

CONGRESSIONAL LEADERSHIP FORUM

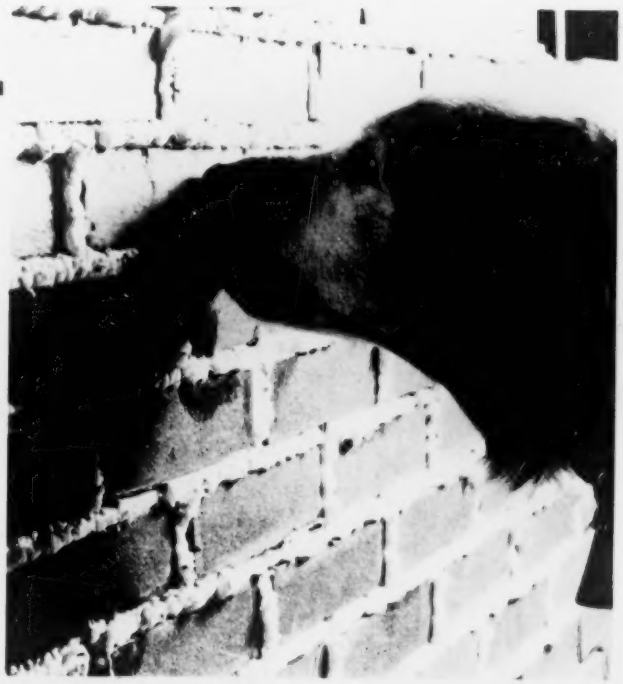
Participating in the Congressional Leadership Forum enables you to influence political decisions that affect your business. Some CLF programs include:

- **The Congressional Visit Program**, during which the association hosts over 20 members of Congress at the annual trade show in Chicago.
- **The Public Affairs Conference**, which brings together hundreds of restaurateurs, suppliers and congressional representatives for three days to learn about issues. One conference highlight is the "Chef d'Oeuvre" congressional reception featuring foods from top Washington restaurants.
- **First Thursday Meetings**, during which foodservice industry lobbyists meet to hear from congressional or other speakers.
- **National political party programs**, which give the association a chance to interact with national leaders.
- **"Meet and Greet" candidate receptions** that introduce political candidates to industry representatives and the Washington political community.

COVER STORY

COMMITTED EMPLOYEES: BUILDING A FOUNDATION THAT WORKS

With committed employees, you can build a solid foundation for your business. Without them, your success will be unsteady at best. This issue of ***Restaurants USA*** focuses on many aspects of the critical connection between restaurant owners and their employees and provides some guidelines for building—and maintaining—a strong workforce.



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The nation's health-care crisis could change restaurants forever.

16 Getting commitment from your employees
Committed employees do not just appear. It takes management effort from the moment of first contact with a job applicant.

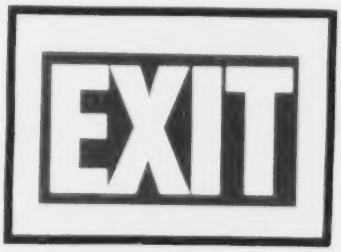
18 Motivating employees
What inspires employees to reach beyond the simple limits of their job descriptions? Here are some ways to motivate your staff.

22 Feedback improves performance
When it comes to feedback, make sure your staff knows the score!

24 Grief in the workplace
Grief can be an overwhelming emotion, making it difficult for employees to bounce back and report to work for "business as usual." There are ways to ease the pain—for both the employee and your business.

26 Manager/partner programs
Giving your employees a piece of the business can be an effective motivational tool.

29 Looking for help in all the right places
As the labor shortage tightens its grip on the foodservice industry, restaurateurs must look beyond the simple "help wanted" sign for help. Community groups provide a large labor pool.



32 Exit interviews
You can learn valuable lessons from your employees as they walk out the door—perhaps even how to make them walk right back in!

Cover photo by Gary Landsman, baking supplies by Waters Caterers, Rockville, Maryland

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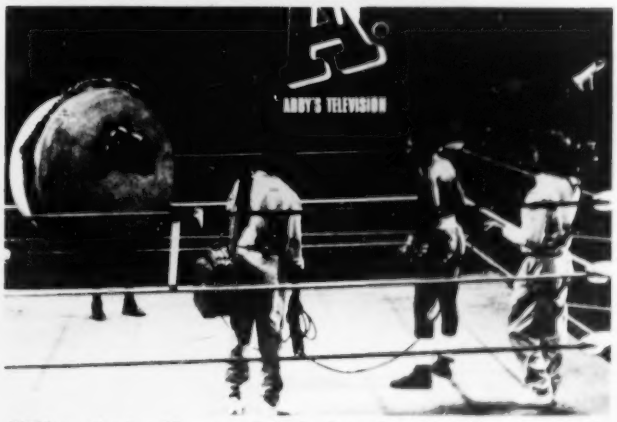


With a pinch of humor. **Arby's, Inc., is using the power of television to communicate with its 50,000 employees. The quarterly videotaped show premiered in early 1990. It features humorous vignettes about various topics, such as suggestive selling and quality control. Shown above is a crew filming Atlanta comedian and ATV host Rob Cleveland battling a burger (which is symbolic of the competition).**

Third annual Culinary Quadrathlon

On Sunday, October 28, New England Culinary Institute (NECI) will host the Third Annual Invitational Culinary Quadrathlon. Culinary schools nationwide have been invited to compete in this contest, which combines the culinary arts with physical fitness.

The Quadrathlon tests four areas of skill: biking, food preparation, running and table service. The contest is divided into five stages.

The event begins as cyclists race with a mystery bag of ingredients along a grueling 12-mile course through the streets and scenic backroads of Montpelier, Vermont. Arriving at one of NECI's restaurant kitchens, the bag is delivered, contents unknown, to the team's prep cook.

During the second leg of the race, the prep cook must plan a single course meal from the ingredients in the mystery bag—under the watchful eyes of spectators and video cameras. After completing the mise en place and assembling it on a tray, the prep cook hands off the food to the runner.

In the third leg of the quadrathlon, the runner dashes off to the institute's banquet kitchen, a mile away atop Montpelier's steepest hill, to present the tray to the finish cook.

In the fourth phase, the finish cook is allotted one-half hour to prepare the dish according to the prep cook's written instructions. He or she prepares a display plate and a serving for each of the judges.

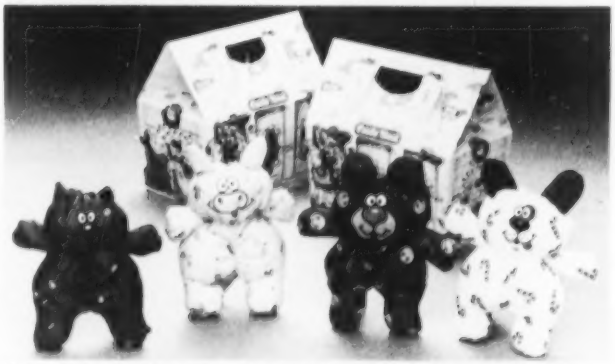
In the fifth and final leg, the foodserver announces the menu to the judges, who are seated at a table carefully set by the server earlier that morning. The dish is then served, and the judges begin their critique. Time counts for 30 percent of the final score.

Association sponsors disability insurance

The National Restaurant Association continues to sponsor a disability-income insurance plan. The amount of monthly benefit payments, when benefits begin and how long they continue are all flexible to meet the needs of members and their employees.

The association's plan provides monthly benefits of $200 to $1,500—in $100 increments—to those unable to work because of a disabling illness or accident. Members between the ages of 55 and 59 are eligible for up to $1,000. Total benefits combined with So-

Holiday hugs from White Castle



A promotional partnership. **Holly Hog, Teddy Bells, Kitty Lights and Candy Canine will be brightening White Castle meal packages for children this holiday season. Called "Holiday Huggables," these cuddly stuffed characters were developed by Hallmark Properties exclusively for White Castle restaurants.**

A Yellow Pages first

Menus on display. **When the Yellow Pages appeared on 500,000 Southern California doorsteps this fall, the restaurant section carried menus in a standardized display-ad format. "Donnelly believes—and our restaurant advertisers agree—that easy accessibility to a restaurant menu will greatly influence a diner's decision on where to eat," says Bruce Takacs, director of marketing for Donnelly Information Publishing, which publishes the Yellow Pages.**

cial Security, Workers Compensation or other disability plans can't exceed 66⅔ percent of a monthly earned income.

Benefits can begin after the 30th or 90th day of disability and can continue for two, five or seven years.

House or hospital confinement is not necessary to receive benefits, and benefits are nontaxable according to current IRS rulings. Recurring disabilities are regarded as new claims if a member returns to full-time employment for at least three consecutive months.

All National Restaurant Association members and their employees who are under age 60 and are working at least 30 hours per week are eligible to apply.

For more information about the plan, contact Albert H. Wohlers & Co., insurance administrator, 1440 N. Northwest Highway, Park Ridge, IL 60068-1400. Or call 1-800-323-2106.

Folse named ACF chef of the year

Louisiana Chef John D. Folse, CEC, AAC, has been elected National Chef of the Year by the American Culinary Federation (ACF). Selection is made by secret ballot of the ACF membership, which has more than 18,000 members.

Folse is chef/owner of Chef John Folse & Company, which includes Lafitte's Landing Restaurant in Donaldsonville and White Oak Plantation in Baton Rouge. He is author of the *Encyclopedia of Cajun and Creole Cuisine* (1984) and *The Evolution of Cajun and Creole Cuisine* (1990).

Dear Editor:
I would like to take this time to thank you for the article ["Restaurateurs run for Congress"] in the August 1990 ***Restaurants USA.*** It was a very well-written article.

I am looking foward to serving as congressman of Ohio's Eighth District, but to help to ensure that victory, your financial support is greatly appreciated and needed. Please feel free to contact me any time.

Thank you for your help and support.

—Greg Jolivette
Hamilton, Ohio

Would you do business with you?

The manager stands at the entrance watching the smiling hostess greet every diner. Busboys are attentive; every server is friendly and prompt. The manager congratulates himself on a restaurant that performs perfectly.

But what happens when the manager walks out the door? How are customers treated?

Customer-relations firms can help restaurateurs and retailers all over the United States and Canada find out what their customers are saying about them—before their customers get a chance to say it to someone else.

The "mystery shoppers" that these evaluation companies employ observe and document all happenings from the moment they park, enter the restaurant, are greeted, seated, and served—all the way to comments as they leave the restaurant.

Was the parking lot attractive and inviting? How long did it take to be acknowledged? What were

the first words spoken by an employee? Was the food hot and attractively served? Did the employee thank the customer and invite him or her to return?

Restaurant executives expect their sales staff to be efficient, courteous, knowledgeable, attentive and responsive in "selling" their goods to the public, and to reflect the appropriate image of their establishment. Customers generally expect the same.

These sound like simple, basic expectations that employers and customers reasonably assume will be met by restaurant personnel whose living is earned by serving the public. Right? Unfortunately, not true.

Shoppers have related some dismaying encounters. Here are some examples:

- "I was met with a stone face and greeted with 'smoking or non-smoking?' "
- "No one smiled at us the entire evening. I felt we were eating in a morgue."
- "She didn't know what they used in their sauce but said, 'I'm sure it's good!' "

One incident in particular reported by a shopper captures both the waiter's disregard for his reputation and that of the restaurant as well as his disregard for the customer's satisfaction: "The waiter brought the ticket to our table, and we immediately handed him our charge card. He returned to our table several minutes later and announced, 'I've lost your card!' After we had searched the table frantically to no avail, we asked the waiter to check the register. He returned with our receipt and charge card a short time later and simply stated, 'Y'all have a nice night.' "

Even if members of a company's staff are not deliberately rude or negligent, some of them simply are unskilled in serving the public. It's this lack of grace that makes customers feel unappreciated.

Once a customer-evaluation company has received completed reports from its field representatives (shoppers), it analyzes the data, giving its clients clear insight into the strengths and weaknesses of each individual, each operation, each region and the total company. Managers can use this information to commend their top performers and offer incentive plans, as well as take immediate action in areas where improvement is needed.

Every business has its unique quirks that show up in extensive shopper contacts. As clients who manage the companies that are shopped are told, the final report card is—as difficult as it may be to take—a reflection of their leadership. Even if these executives themselves have ethical, efficient, positive attitudes and behavior, they must communicate to employees that the staff is expected to behave in the same manner. Without constant training, encouragement, reinforcement and support, employees will inevitably lose sight of the lofty performance goals set by those at the top.

Many times we forget to put ourselves in the customer's place. Ask yourself the question, "Would you do business with you?"

—Vickie L. Henry, president of Feedback Plus, Inc., Dallas, Texas

Some simple things restaurateurs can do to save the earth

In this interview with ***Restaurants USA*** *John Javna, author of the best-selling* 50 Simple Things You Can Do to Save the Earth, *shares his ideas with foodservice operators.*

John Javna's "qualifications" to save the earth are no more impressive than anybody else's—and that's precisely his point. "I'm just an average baby-boomer who, like the rest of my generation, found myself wondering what I could do to help stop the destruction of our environment, of this planet," explains Javna. "I felt powerless to stop it, until I started looking into ways I could make a difference.

"I write books for a living about popular culture, so writing a book wasn't such a big leap. Anyway, about a year ago, I put my savings into publishing *50 Simple Things You Can Do to Save the Earth*. I was hoping just to break even, but it wound up on the *New York Times* best-seller list [as number one], and so here I am."

Javna's Earthworks Group in Berkeley, California, now churns out other how-to books, such as *50 Simple Things Kids Can Do to Save the Earth* and the *Recycler's Handbook*, which came out last month. The *Recycler's Handbook* guides the reader through the recycling process and details how to set up recycling centers. Another book, *50 Simple Things Businesses Can Do to Help Save the Earth*, is oriented to the corporate office environment. It will be published in the spring of 1991.

Start with the idea

Anybody, the average restaurateur included, can help save the earth, says Javna. "First of all you have to start out with the idea that it's worth doing *something*," he explains. "If it were easy, we already would have done something about the environment. One of the main reasons we published *50 Simple Things* . . . is because we recognized the fact that it takes time for people to make even simple alterations in their lifestyles. But even simple alterations can make a big difference.

> ***"What's good for the earth can also be good for business."***

"Studies show that 80 percent of Americans say they are 'environmentalists,' yet they find it hard to do something about it," continues Javna. "Restaurateurs are very visible in the community; they can set a good example by showing people that they're willing to make that little, extra effort. They also have the opportunity to capitalize on that 80 percent of Americans who will respond to those extra efforts.

"Sooner or later," cautions Javna, "it's all going to be legislated, so you might as well be on the forefront, leading change instead of resisting it. And you can work those efforts to your best advantage. What's good for the earth can also be good for business."

Recycle, recycle, recycle

Recycling is one obvious and relatively simple way more restaurants can pitch in for the environment. It doesn't cost anything, and in many cases it actually pays. "Aluminum recyclers will pay you for cans, and in some cases glass recyclers also pay you for recycling," notes Javna.

He lists several other reasons to recycle aluminum and glass. "Aluminum cans come with a lifetime guarantee. They are 100 percent recyclable. It's actually cheaper to recycle aluminum cans than it is to make new ones from scratch. Moreover, the material used for making aluminum—bauxite—is imported. As for glass, 30 percent of the energy and 50 percent of the pollution is saved by recycling. It just doesn't make sense not to recycle it.

"I'm always surprised, then, that restaurateurs can offer reasons not to recycle," he marvels. "They'll say, 'The cans and bottles attract insects.' That's true if you don't rinse them out and don't keep them in a covered container. Then there is the space issue: 'I don't have the space to keep all that stuff around,' restaurateurs say. Well, you can crush aluminum cans, but glass bottles do take up space." To alleviate storage problems, many recycling companies often arrange a regular pick-up for large-volume sources, such as restaurants and hotels.

Javna also counsels restaurateurs to support recycling through their own buying power: "Whenever possible, buy goods made from recycled material, such as napkins, paper towels, paper bags and bathroom tissue."

"Fixed" costs can be fixed

Gas, electricity and water bills are usually considered fixed expenses among restaurant overhead costs. Javna suggests several ways to really "fix" these costs while also fixing the environment. "Being environmentally sound is also economically efficient, especially in this area," he says. "*Ask your power companies to do an energy audit for you*. That's a good way to identify and eliminate energy waste."

Lower the water-heater setting. "About 40 percent of our energy is used in heat, so you can save a lot of money when you take the time to be efficient," he says. "Many restaurant dishwashers have booster heaters, so it isn't necessary to set the main water heater at 140 degrees. My book suggests lowering the setting to 130 degrees; but I've read a lot since the book has been published, and I think you could safely set the temperature as low as 120 degrees and still prevent bacterial growth. Six percent of the heater's energy is saved by reducing the temperature by 10 degrees."

To fix your light bill, *use compact fluorescent lights* wherever feasible. "They save energy, work and money—and they're good for the environment," says Javna. "Compact fluorescents are color-rendered to look like regular incandescent bulbs," explains

***50 Simple Things You Can Do to Save the Earth*, the *Recycler's Handbook* and *50 Simple Things Kids Can Do to Save the Earth* are three environmental guidebooks published by Javna's Earthworks Press. The latest, *50 Simple Things Businesses Can Do to Save the Earth*, is due out in the spring of 1991.**

Javna. "but they use only one-quarter of the energy of incandescent bulbs, so they keep carbon dioxide out of the atmosphere. Although they are a lot more expensive than regular bulbs, they last about 10 times as long. That's why you really can't make a direct cost comparison. In the long run, however, they definitely save you money. Compact fluorescents are especially useful in hard-to-reach fixtures, such as ceilings, because you don't have to change them nearly as often."

Another easy light-saving tactic, adds Javna, is to *post simple reminder signs* in the restrooms that say "Help us save energy. Please turn out the lights when done."

Install low-flow faucet aerators; they can cut water flow by as much as 50 percent.

Fix leaks. The bathroom is the chief water-wasting culprit, even in a restaurant. "A leaking toilet can waste water in the tens of thousands of gallons," warns Javna. "To check whether your toilets are leaking, pour some blue dye in the tank after closing one night, but do not flush. If the water in the bowl is blue the next morning, you've got a leak to repair."

Even nonleaky commodes flush more water than necessary. A water-displacement device placed in the tank, such as a water-filled plastic bottle, also prevents thousands of gallons of water from being wastefully flushed away over the course of a year.

What you don't do counts, too

Although the debate over styrofoam versus "degradable" paper cups and plates rages on, on this point Javna has a strong opinion. "Don't use styrofoam containers," he says. "HCFC-22, the new chemical formula for making styrofoam, is an improvement over the banned CFCs, but it is still not safe, because it still depletes the ozone. Once there is a hole in the ozone layer, there is no way to repair it; we can only try to stop its growth.

"Styrofoam is also bad for people's health," warns Javna. "Styrene is made from benzene, a known carcinogen. Pretty soon the health effects of styrofoam will be well known and widespread. In one study, 100 percent of adults tested had styrene in their fat tissue. Now, I'm not saying that it all ended up there just because they drank hot liquids, such as coffee, from a styrofoam cup; but at higher temperatures, styrofoam does begin to melt.

"Eventually, within five or 10 years, styrofoam is going to be banned completely," declares Javna. "If a restaurant wants to be ahead of the pack, it can switch to paper or reusable ware now. People really are willing to pay a little more to support a business that's spending a little extra to save the environment.

"Here in Berkeley, there's a place called Betty's Diner. If you bring in your own cup, you get five or 10 cents off each cup of coffee," he says. "It's a small but significant way to take a stand against using styrofoam, and it's a 'doff of the hat' to customers who are making an effort."

Another "don't" that counts is not to use plastic plants in restaurant decor, especially when there are live plants that enhance not only the look of a room but also the quality of the air. "Plastic plants are the ultimate hypocrisy," says Javna. "I realize they don't require any maintenance, but there are actually living plants that work for you. I cannot remember them all off-hand, but there are several beneficial plants listed in our upcoming book for businesses. But one does come to mind: spider plants. They are natural air purifiers, because they actually absorb air pollutants."

Support other efforts; tout your own

"Get involved in a public-education effort. Put up a bulletin board where your staff and customers can see it," suggests Javna. "Post articles about the environment and ideas for taking action. Recognize individuals who are making a difference. Post the things you're doing in your own restaurant to make a difference.

"But just putting up a bulletin board can backfire," he cautions. "It's not enough to simply post the efforts of others; you must also make the effort. Get involved, even in small ways, and help spread the word. Then be sure you take credit for all the things you do. It's great P.R."

You are what you pretend to be

"Kurt Vonnegut once said that 'You are what you pretend to be,'" recalls Javna. "If you start out by just putting up a bulletin board—telling people what you are doing and highlighting the work of others, you will eventually find yourself more concerned, more committed and more active."

—Joan E. Herlong

Editor's note: The National Restaurant Association realizes that many of these issues are still unresolved. The opinions expressed here are those of Mr. Javna.

Boston, Massachusetts

Zachary's goes universal

At Zachary's, located in the Colonnade Hotel in Boston, the cuisine can be called "universal holistic."

Chef Markus Ripperger's dramatic menu changes for the landmark restaurant have moved it away from its former continental standards to principles tied to the four basic elements: earth, air, fire and water.

A fixed-price offering from the water category, for instance, includes a small caviar appetizer placed on a potato tartlet with creme fraiche, an iced watermelon soup and a main course of either duck or Norwegian salmon. The fire category draws its heat from several smoked and grilled dishes, including swordfish medallions grilled on a wood-burning stove, served with a reduction of chardonnay and key lime.

The impetus for this bold menu transition occurred more than a year ago, when management determined that after 18 years as a traditional a la carte restaurant, Zachary's was due for a change. "Business was slow," recalls Ripperger, "and other restaurants had been opening left and right. We planned last year to close and re-open, so for the whole year I went into the dining room and talked to patrons."

Ripperger learned that Zachary's was a bit out of step with its audience. For example, older patrons (many of whom attend Boston Symphony concerts next door) longed for healthier menu options, so Ripperger adopted healthier preparation methods. "We had people come in all the time and order plain broiled scrod," recalls Ripperger. "I thought, why would people come in and order the most boring food there is?"

Chef Markus Ripperger has made dramatic menu changes at Zachary's in Boston's Colonnade Hotel. The new menu is tied to the four basic elements: earth, air, fire and water.

Zachary's was also missing out on young professional customers from the nearby Back Bay neighborhood. The traditional a la carte menu was intimidating for people who were worried about things like "when to order the soup," says Ripperger. So he asked for permission to make the radical change to full-menu offerings. "Let me do a set menu," said Ripperger. "People can choose the main course, and I'll do the rest."

The Zachary's atmosphere has been updated as well. Classical music has turned to light jazz, and the restaurant's interior has been redone in a sleek gray and black. As a symbol of the changes and as a reflection of the chef's philosophy, the unique menu was adopted. "That's where my personal beliefs came in," says Ripperger. "Food is almost a medicine; if you don't eat healthy, you get sick."

In keeping with this focus, Ripperger uses organically grown produce, grass-fed beef and free-range chicken whenever possible. This commitment to chemical-free food "gets people thinking about what eating is all about and where food comes from," he says.

With the menu changes have come lower prices, which Ripperger reports have been good for business. "Lower prices have led to higher average checks," he says with pride.

"I'm trying to make our business run on a lot of different levels," says Frankel as he explains Nosmo King's philosophical bent. "People can just come to enjoy a meal if that's what they want, but we try to address other issues as we can." Other elements of the Nosmo King formula include strong commitments to recycling, healthy dining and a smoke-free environment.

Scott Mayhew

Owners Steve Frankel and Scott Posner and chef Alan Harding have combined health food with fine dining to produce Nosmo King.

New York, New York

Just yin and yang

More than a year ago, two young New York restaurateurs set out to write a new chapter in the ever-evolving story of Manhattan dining. Steve Frankel and Scott Posner decided that the ubiquitous health-food restaurant should grow up and marry fine dining. The resulting offspring is Nosmo King, located in Manhattan's hotter-than-hot TriBeCa neighborhood.

Co-owner Steve Frankel is as proud of his restaurant's high-minded statement of purpose as he is of the menu, which includes such items as the appetizer Green Bean and Seaweed Salad with Warm Goat Cheese. "Over time, my values, interests and diet have changed," says Frankel, who formerly co-owned and operated Exterminator Chili. At Nosmo King, Frankel is committed to the use of "clean" foods, including organically grown produce, fresh fish and free-range poultry. There is also an element of patriotic regionalism; Frankel calls on nearby farms as often as possible to provide the low-spray products that he prefers.

The Nosmo King menu defies standard cuisine classification, but Frankel labels it "contemporary American"—helped along by French, Italian and Asian cooking traditions. Chef Alan Harding relies on infused oils, vinegars and broths in lieu of butter and heavy cream. In fact, no dairy products (or beef) grace the Nosmo King menu—at least until dessert. The dessert menu is divided between "yang" dishes, which are prepared without dairy products or refined sugar, and "yin" dishes, in which some transgressive ingredients are allowed.

The ultimate goal, says Frankel, is to celebrate life through the pleasures of eating and drinking, but "with an eye to our collective future."

Houston, Texas

How was that fish caught?

Evan's restaurant is the Houston version of a holistic-theme restaurant. Opening with a bang on the week of Earth Day earlier this year, Evan's follows a creed not unlike that of New York's Nosmo King. Its "charter of objectives" is based on ethical business practices and environmental concern. Thus, organic foods and recycled products are used whenever possible.

Early returns show that the concept is working. According to chef Kathy Ruiz, at least half of the Evan's clientele is drawn to the restaurant because they like "the whole idea" of the operation. "We're four months into it, and I don't know where all these customers keep coming from," beams Ruiz.

Owner Evan Daily and chef Kathy Ruiz operate Houston's Evan's restaurant based on ethical business practices and environmental concerns.

"The timing has been good for our concept," notes Ruiz, who adds that she is pleased with the level of patron awareness. "I'll walk into the dining room, and they'll ask if this or that chemical is used or how the fish is caught," she says.

Ruiz can answer questions about fish acquisition with confidence, since her seafood suppliers are "long-line" fishermen who don't use nets. "They catch only what they're going to use," says Ruiz.

The "New Age" Texan responsible for founding Evan's restaurant is Evan Daily, a 28-year-old entrepreneur whose original goal was to open a vegetarian establishment. Chef Ruiz, however, encouraged Daily not to exclude carnivores from the customer base; and although the focus is on the natural, the resulting upscale menu allows for free-range chicken and even a beef tenderloin. More typical, however, is the house salad, which features mixed greens, herbs and edible flower petals topped with a rose-petal, honey vinaigrette dressing.

—Paul Moomaw

LIME-AND-CHILI-GRILLED CHICKEN

Serves 4

Ingredients:
2 chicken broilers, halved
¼ cup red onion, chopped
4 poblano peppers, roasted, peeled, seeded
4 cloves garlic, peeled
2 Tbs. cilantro
¼ cup basil-infused oil
¼ cup lime juice
½ tspn. ground comino
1 Tbs. white pepper
Salt to taste

Method:
Puree all ingredients except chicken in blender. Rub the chicken halves with the marinade and let sit for one hour. When ready to cook, remove the chicken from marinade and let excess drain off. Reserve marinade. Grill the chicken over hot coals, turning and basting with remaining marinade for about 30 minutes or until done.

Hurst crosses country with "celebration of education" message

Since assuming the National Restaurant Association's top position in May, Mike Hurst has addressed 10 state association meetings, 11 industry groups and nine private corporations. He has shared his industry insights with seven student groups and has made seven videotapes for distribution by state associations to area schools. In all, an estimated 6,248 people have heard what Hurst has to say about the industry he loves.

Among the messages he conveys to his audiences, including information about the "We're glad you're here!" program and the importance of taking the offensive on legislative issues, Hurst uses the podium to pronounce his presidential term as the beginning of an industrywide "celebration of education."

"As an industry, we need to aim higher in terms of education than we currently do," maintains Hurst. "Our scholarship programs are fine, but they don't give us enough return on investment. Through one scholarship, one student is exposed to our industry and may or may not decide to go into foodservice. But what about the thousands of additional students who don't have the benefit of such exposure?"

According to Hurst, the whole notion of education in foodservice needs to be re-thought and, where necessary, revamped. "Our goal must be to reach as many potential foodservice employees, managers and owners as possible," he says. "We need to let the whole world know about our industry and the wonderful opportunities it affords—not just a handful of scholarship winners."

Hurst has brought his "celebration of education" message to thousands of people.

Hurst offers the following ideas to bolster the industry's educational efforts:

□ *Teach the teachers.* "Seminars and programs should be held for teachers, not students," says Hurst. "One teacher reaches thousands more people than one student ever could."

□ *Begin a videotaped lecture series for students, to be distributed through state restaurant associations.*

□ *"Adopt" schools or classes.* Hurst suggests developing programs that could be part of a school's curriculum and might include lectures, field trips to operations and talks by suppliers.

□ *Increase education efforts at the state-association level.* "It would cost very little yet would yield tremendous results if state associations regularly invited outstanding students to their annual conventions," Hurst suggests.

□ *Provide programming at state vocational conventions.*

—Anne Papa Curtis

Association convenes working group on ADA regulations

The National Restaurant Association's Americans with Disabilities Working Group met for the first time in Washington DC on September 13 to give input to federal agencies as they draft regulations to explain the Americans with Disabilities Act (ADA).

Signed July 26, 1990, by President George Bush, ADA prohibits bias against qualified individuals with disabilities in *all* job decisions, including hiring, pay, promotions and benefits. ADA also requires public places, including restaurants, to make their establishments accessible to people with disabilities.

The association's working group, which includes foodservice employment specialists, architectural and engineering experts, and labor-relations attorneys, met with regulators from the Equal Employment Opportunity Commission (EEOC) and the Department of Justice (DOJ). EEOC will write regulations explaining ADA's ban on job bias; DOJ is responsible for explaining ADA's accessibility requirements.

The meeting was the first in a series planned for the coming months between foodservice representatives and EEOC and DOJ regulators. By getting involved in the regulation-writing process early, the group hopes to ensure that federal regulations implementing ADA are drafted in an easy-to-understand manner that addresses the concerns of the foodservice industry and minimizes potential economic burdens on foodservice employers.

Regulators Naomi Levin and John Wodatch participated in the first meeting of the association's ADA Working Group.

Regulations on the way

The regulators attending the meeting, Naomi Levin of EEOC and John Wodatch of DOJ, appeared to be receptive to suggestions from the association's ADA working group and willing to meet again as regulations take shape.

Levin said EEOC plans to propose ADA's employment rules—which take effect as early as July 26, 1992—near the end of this year; businesses and other interested members of the public will then have two months to comment on the proposal.

Wodatch reported that DOJ will issue proposed regulations governing the accessibility of public places at the beginning of next year and then hold several public hearings around the United States. The public-accommodations rules cover most businesses beginning January 26, 1992.

Both Wodatch and Levin promised that regulations will be in place by July 26, 1991, the statutory deadline.

Association comments

The National Restaurant Association has already filed preliminary comments with EEOC, asking that the agency write regulations in "layman's" language. The association also has volunteered to share with EEOC and DOJ the foodservice industry's vast experience in employing individuals with disabilities.

The association is planning a symposium in Washington DC on January 8, 1991, to bring foodservice operators up to date on their responsibilities under ADA.

—*Andrew McLauchlin*

DC ROUNDUP

☐ *House approves nutrition labeling.* Persistent lobbying by restaurateurs convinced legislators to exempt foodservice establishments from the Nutrition Labeling and Education Act of 1990, recently approved by the House. It would require nutrition labeling for most foods.

The Senate is scheduled to consider S. 1425, a nutrition-labeling bill by Sen. Howard Metzenbaum (D-OH), this fall.

☐ *Parental leave reintroduced.* Family-and-medical-leave advocate Sen. Chris Dodd (D-CT) bounced back from the House's unsuccessful attempt to override President Bush's veto and reintroduced another bill to mandate leave policies.

S. 2973 would require all employers with 50 or more workers to allow employees up to 12 weeks of job-protected leave each year for family or medical reasons. The bill is identical to the one President Bush vetoed on June 29. The House upheld the veto on July 25.

In the House, Small Business Committee Chairman John LaFalce (D-NY) introduced an alternative leave bill, H.R. 5000, that would require employers to provide up to eight weeks of parental leave a year and eight weeks of medical leave every two years. LaFalce's plan would not require employers to continue paying health-insurance premiums during an employee's time off, as Dodd's proposal would mandate.

Dodd, who introduced S. 2973 with 25 cosponsors, said he thought further action was unlikely this year but emphasized that he wanted to "keep people aware that we haven't dropped the issue."

☐ *Harkin reassures TJTC (Targeted Jobs Tax Credit) users.* Sen. Tom Harkin (D-IA) sent a letter to state employment security agencies to reassure them that he intends to see that TJTC is funded in the 1991 fiscal year.

Harkin, chairman of the Senate appropriations subcommittee, which allocates the funds to run the TJTC program, is hoping to avoid a repeat of the 10 months in 1986 when job agencies refused to accept employers' requests for TJTC certifications after Congress let the credit temporarily expire.

Nearly 300 representatives and 50 senators have cosponsored bills to extend TJTC. However, the program's fate remains tied to the 1991 budget bill.

MANDATED HEALTH INSURANCE AND RESTAURANTS

THE NATION'S HEALTH-CARE CRISIS COULD CHANGE RESTAURANTS FOREVER

by Paul Moomaw

If the air seems extra chilly in Massachusetts restaurants in coming months, it may be the result of a cold business climate that is due to turn icier. Why the gloomy forecast? Mandated health-insurance legislation is scheduled to go into effect for all Massachusetts businesses in 1992. This law requires all employers to provide health insurance to workers; and in a state with an already struggling economy, it seems destined to freeze some restaurants out of the market.

The cold winds are not blowing just on restaurateurs in Massachusetts, however. Proposals for similar legislation are echoing through statehouses all over the country, and the U.S. Congress has considered mandating health insurance nationwide. According to restaurant operators who have calculated the costs, the passage of such proposals could end the restaurant industry as we know it today.

Although most agree that small operators are least able to shoulder a mandated-health-insurance burden, large restaurant companies would fare little better. "If California had passed a mandated-health-insurance program last year, it would have cost us about half of our pre-tax profits," says Paul Mitchell, assistant to the chairman of the board at Carl Karcher Enterprises, Inc. This Anaheim-based company operates a chain of some

David Alexander

Ted Burke, co-owner of Shadowbrook, would have had to reduce his staff if California had passed its mandated-health proposal.

Recent legislative proposals for solving the nation's health-care crisis would mandate specific health-insurance packages that all employers would have to offer and pay for. According to many restaurateurs, what seems like a good idea to outsiders would put many operators out of business.

500 quickservice restaurants under the name Carl's Jr. Most are located in California, a hotbed of mandated-health-insurance proposals.

The Massachusetts case

"Mandated health insurance will be the death of the restaurant industry in Massachusetts," says Thom McCabe, past president of the Massachusetts Restaurant Association and owner of Tom Foolery's restaurant in Westborough, Massachusetts. Unlike many fellow Massachusetts restaurateurs who, he fears, may not yet understand the state's law, McCabe is already calculating the effect the mandate will have on his business in terms of payroll costs and meal prices. McCabe employs about 100 workers and estimates that his restaurant serves 130,000 meals per year. At the proposed mandatory health-insurance rates, McCabe's operation would pay $168,000 in premiums. "That adds $1.29 to every meal we serve," complains McCabe. "It turns a $4.95 hamburger into a $6.25 hamburger, and I don't think we can assume people will be willing to pay $6.25 for a hamburger."

"I can tell you right now, there's no way I can raise $63,000 extra a year," says Bob Shaughnessy, who has owned and operated The Other Place Pub in Boylston, Massachusetts, for 10 years. Under the Massachusetts mandate, $63,000 is the amount Shaughnessy will owe when he multiplies the number of workers he employs by the $1,680 amount per employee that all Massachusetts business owners will be required to pay in annual health-insurance premiums. "If this goes into effect, I'll have to think seriously about selling out," says Shaughnessy, who would like to stay in business at least until his daughter finishes college.

The Massachusetts law and other proposals for mandated health insurance are variations on a theme: For each person employed, a business owner must pay a state-mandated amount in premiums to provide health insurance for full-time employees and their dependents. A recent California proposal, which was defeated in August, and two national proposals would also include part-time workers in the formula. Only the smallest businesses are exempted. In Massachusetts, any business with six or more employees must participate.

These proposals hit restaurants hard. By assessing employees a per-employee charge, mandated health insurance functions as a tax on employing people—a particularly deadly mandate for labor-intensive businesses such as restaurants. Adding to the injury is the fact that many restaurants are small businesses with low margins. In many cases, small restaurants cannot afford to offer health insurance because of its high cost. This high cost is further aggravated by the relatively high turnover rate for foodservice workers.

Although few would argue with the goal of mandated-health-insurance proposals—to make health care accessible to all—the funding methods are a source of ire to business owners who feel they are being singled out to pay for a broad societal problem.

Mitchell of California's Carl Karcher Enterprises sees the same problems with California proposals that are evident in the Massachusetts law. "If health insurance should be universal [available to all], then it should be paid for universally," he says, adding that singling out employers for taxation is unfair. Especially ill conceived, says Mitchell, was a provision of the most recent California proposal requiring every employee—even if already covered through other means—to be a participant. Many Carl's Jr. employees are teenagers covered by their parents' insurance or part-time workers covered by their spouses. Nevertheless, these already-insured workers and their employers would have had to contribute to the plan. The result? "A smaller paycheck," says Mitchell emphatically.

The industry response

Trade groups, including the National Restaurant Association, have come down squarely against government-mandated benefits of any kind, arguing forcefully that they limit freedom of choice for both benefits planners and employees. Foodservice company operators who already offer health-insurance plans assert that they would prefer to design benefits plans that could be customized to individual workers' needs.

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Most small restaurants and start-up operations not yet offering a plan hope to offer health insurance when the company becomes more profitable.

In a 1989 National Restaurant Association poll, most restaurateurs with annual sales of less than $500,000 who did not offer insurance said they did not provide a plan because premiums were too high.

However, a large majority of foodservice employers with sales of more than $500,000 per year do offer a program for health insurance; and at the highest annual sales levels, nearly all foodservice companies offer a plan. It appears that the high cost of health-insurance premiums and the small size of many restaurant operations are the main barriers to the offering of health-insurance plans. Consequently, forcing these businesses by law to offer a plan may not be economically feasible.

Why mandate health insurance?

While it is clear why restaurateurs are finding it difficult to support mandated-health-insurance programs that rely on employer funding, there is another side to the issue. Legislators are desperately struggling to fashion a solution to what many feel is becoming a national health-care crisis. Health-care costs are rising at an annual rate of more than 20 percent, sending treatment costs for serious illness out of the reach of many, if not most, Americans. Health insurance, consequently, becomes necessary if individuals are to hope to avoid the fear of

Paul Moomaw is a communications specialist at the National Restaurant Association.

Bob Shaughnessy, owner of The Other Place Pub in Boylston, Massachusetts, will need to raise an additional $63,000 to cover health benefits.

financial devastation that could be caused by a single illness or accident.

Health-insurance prices, too, have skyrocketed to new heights in recent years as health-care providers pass along the high costs associated with new medical technology, new treatment methods and avoidance of charges of malpractice to insurance companies. This upward pressure on private health-insurance rates has led to political pressure for mandated health insurance for all. With government-funded insurance programs, such as Medicaid, already straining government funds, lawmakers have looked outside of general revenues to businesses to foot the bill for a "universal" health-care package.

A vision of the future

Like most who have analyzed the potential effects of mandated health insurance, McCabe in Massachusetts is certain that the increased costs for restaurateurs could not be absorbed by simply raising menu prices. Instead, he envisions small-time restaurateurs leaving the industry, while remaining establishments drastically alter their businesses to contend with the pressures of skyrocketing labor costs brought on by the mandate.

"It's an incentive to automate," says McCabe, visualizing a restaurant industry of the future in which restaurateurs purchase every contraption available to replace human labor, including automatic order-taking machines (already available for quickservice restaurants) and robotic pizza makers. "Your restaurant experience of the future may be like visiting an automated teller machine," he says. A restaurant visit in which food and service are provided by people, rather than machines, could become a special event available only to those who have saved up for weeks. Meanwhile, says McCabe, most everyday restaurants would adopt the "Automat" formula.

Indeed, some restaurant operators have already had to consider changes in response to the mandated-health-insurance proposals. "We would have to change our whole formula," says Ted Burke, co-owner of the Shadowbrook restaurant in Capitola, California, and president of the California Restaurant Association (CRA). To keep Shadowbrook profitable, says Burke, the restaurant would have to reduce its number of employees from 103 to 39 and adopt an upscale buffet format.

"It's not that hard to figure out," says Burke of calculating a mandate's effect on a restaurant. "Look at your records, deduct what health insurance would cost from the bottom line, and, for most restaurants, it would quickly turn from black to red." The problem, says Burke, is that profit per employee is low for restaurateurs, compared with that for doctors, lawyers or manufacturers.

And the forces behind such legislation are not going to abate soon. "Reality is reality," says Jo-Linda Thompson, who as CRA's senior director of government affairs and general counsel spends a large chunk of her time on health-care issues. Thompson describes a stressed and expensive California health-care system that is a microcosm, and perhaps predictor, of the crisis at the national level. "Nobody here in California likes the status quo," says Thompson. "Employers don't like the rising cost of health plans, and we all have the feeling that we may not be able to get quality health care if we really need it." Consequently, alternatives to the status quo are needed that don't include mandated benefits.

Alternatives recommended by operators

An alternative to mandated benefits that some foodservice operators have recommended is favorable tax treatment for employers who provide health benefits. A full tax deduction for small, unincorporated businesses that provide health insurance would encourage self-employed businesspeople to provide coverage for themselves and their employees. Similarly, a tax credit for health-insurance premiums would provide a significant incentive for start-up businesses and other unstable businesses that would be unlikely to benefit from a tax deduction.

Other barriers to offering health insurance are state laws requiring certain levels of coverage for any insurance plan offered. Elimination of these requirements would allow employers to offer less-expensive, no-frills packages that would provide coverage to employees at an earlier point in a business's growth cycle.

Finally, operators have recommended cost-containment measures to lower the cost of health insurance for all, and some have taken the initiative to participate on statewide panels dedicated to lowering the cost of health-insurance premiums through measures such as spending caps for various medical procedures, lids placed on malpractice claims, and the elimination of waste and fraud in government insurance programs.

More than just saying "no"

Although the foodservice industry has been under fire on a number of legislative fronts in recent years, mandated-health-insurance proposals and other health-care issues may represent the greatest threat yet to the livelihoods of business owners and workers. "This is probably the single biggest area of legislation we've had to face yet," says CRA President Ted Burke.

The underlying health-care crisis is unlikely to be resolved soon. Rather than merely adopting what she calls the "ostrich approach," CRA's Jo-Linda Thompson urges restaurateurs to become engaged in the dialogue surrounding mandated health insurance. "I think we all believe that the American Dream should not be cut off by proposals such as this," says Thompson. However, for restaurateurs to become part of a workable solution to America's health-care crisis it will take more than just saying "no."

by Michael C. Thomas and
Tempe S. Thomas

GETTING COMMITMENT FROM YOUR EMPLOYEES

Commitment begins the moment a manager and a prospective employee shake hands. And it either grows or diminishes through daily actions and interactions.

Getting the right match

A good relationship between managers and new employees begins in the hiring process. In employment interviews many well-meaning managers talk about everything but working together. This is a mistake. It takes more than ability and good work habits to create effective working relationships and commitment between you and your employees. During the employment interview, ask applicants how they like to be managed and what kind of supervisory style works best for them.

These questions will open the door to honest and helpful discussion about whether you and the applicant would work well together. If you are most comfortable with independent workers and an applicant likes frequent detailed instructions and feedback, you both need to know it and to talk about how this will affect your work relationship. Exploring these issues tells applicants that you are committed to good relationships with employees. Getting the answers lets you know whether you have a fit or what you will have to work on to make the fit better.

Applicants need to know who's the boss before they can make a commitment to working with that person. If applicants misunderstand the reporting structure, they will feel powerless and resentful.

Avoid assumptions and disappointments by reviewing your organization chart with applicants. If your company does not have a formal organization chart, sketch it out as you and the applicant discuss how your company is organized. If your company is growing so rapidly that your structure is constantly changing, discuss the possibilities and the flexibility required to work in such an environment. However you choose to cover it, be sure that your new employees come to work clearly understanding the following:

- To whom they report (Who will assign and evaluate their work?)
- To whom their boss reports (Will their boss's manager sometimes assign their work?)
- Who reports to them
- Whom they support (people and/or departments) and what "support" means and
- Who supports them (people and/or departments) and what that "support" means.

Specific communication with applicants about their potential place in the structure of your company creates trust and commitment. New employees must know where they fit in order to behave appropriately and work effectively.

A second important ingredient in the perfect match is mutual commitment to the basic terms of employment: pay, benefits, working conditions, job title and job content. This is the employment contract, and it exists whether the terms are sealed with a handshake or with a legal document.

The third key element of the perfect match is a commitment by their co-workers to support new employees.

New employees want to be accepted and need to be supported by their co-workers. Anyone who can remember starting a new job knows the countless ways in which new employees depend on their co-workers to help with everything from finding the restroom to avoiding the hidden landmines of office politics. One of the kindest things that caring managers can do for new employees is to pave the way for members of the work group to befriend and assist them.

Training sustains initial commitment

Once the foundation has been laid for a committed relationship, training is the most powerful tool for sustaining that commitment. How managers carry out training and development will in large part determine whether their new employees' initial commitment will be sustained and grow to higher levels.

As trainees' skills and effectiveness grow, so will their productivity, their personal satisfaction and their commitment to their work organization. The more productivity employees demonstrate on the job, the more managers are likely to express their caring and commitment to the employees, and so mutual commitment grows.

Although managers have much to gain from speedy and effective operations training, it rarely goes as quickly or as smoothly as they wish. There are five basic steps you can take to create effective operations training and development that will simultaneously increase employee commitment.

1. *Involve employees in designing the training process.* If employees are involved, they will feel that both they and the training process are important to their managers, and they will experience their managers and other employees as caring for them.

Although your new employees may not know exactly *what* they are to learn, they can tell you and their trainer *how* they learn most comfortably and quickly. People learn in different ways. Some easily absorb and digest written materials; others learn more easily by observation and hands-on training. Committed managers plan the training jointly with employees and trainers to accommodate the trainees' preferred learning approach. Most people need a combination of reference material, demonstrations, practice and feedback.

The best results occur when trainers follow a structured plan. The training plan should include the following elements:

- content (what is to be learned)
- process (how they will be instructed)
- measurable performance goals (how successful completion of the training will be indicated)
- sequence (the order of training)
- schedule (the timing and length of each segment of training) and
- delegation (who will teach what).

2. *Systematically monitor the training results and share your impressions.* Although managers frequently delegate operations training, they remain responsible for managing the training and assuring that the intended results are achieved. Delegation without follow-up is abdication. It is easy to monitor training when you have done the kind of planning suggested above. Never wait until the end of training to review the training process. Periodically review progress against the training schedule and goals. You can then help trainees (and trainers) as needed and praise positive results.

3. *Map the links between the trainees' goals, the work unit's goals, the department's goals and the company's goals.* Before they can become fully effective and committed employees, trainees must be able to accurately see themselves and their roles in the "big picture." By mapping links, managers can show how employee accomplishments contribute to the company's purposes or vision for employees, customers, owners and the larger community.

4. *Expect trainees to develop self-discipline and self-responsibility (rather than passive dependence) and help them learn it.* Clearly express the expectation at the outset of the training that self-responsibility and independence are the ultimate goals of training. Explain to your trainees how they can demonstrate self-responsibility during their "basic training" period. Ideally, their learning should consist of general principles of problem-solving and experience in job or task-specific procedures and techniques. Moreover, to ensure successful growth, employees must be ready with the competencies to handle increased responsibilities. That is why training should be an ongoing function.

Managers should set the example of self-responsibility for personal growth and professional development by developing themselves and by requiring their employees to develop themselves and the people they supervise. Employees can develop themselves by emulating their managers and by learning from their coworkers.

5. *Communicate daily.* Long-term commitment grows from daily communication between managers and employees. By staying in touch, managers keep abreast of employee goals, feelings and progress. They can also share information regarding plans and possibilities for the company's growth, involve employees in implementing any changes and communicate the benefits of such growth to employees. If managers do this, employees will believe in their managers' commitment and work for future rewards with continued high productivity.

In conclusion, the degree of commitment and productivity is a direct result of your employees' belief that you care about them (as demonstrated by your actions) and their development opportunities. ⌟

Michael C. Thomas and Tempe S. Thomas are co-authors of Getting Commitment at Work: A Guide for Managers and Employees, *1990, published by Commitment Press, P.O. Box 2363R, Chapel Hill, North Carolina 27515-2363 ($12.95), 1-800-752-2471. Michael Thomas is a nationally known speaker, trainer and consultant. Tempe Thomas is a teacher and professional writer. They live in Chapel Hill.*

MOTIVATING EMPLOYEES

There is no mystery about why people work: It meets the basic need for income. But what is it that inspires employees to work hard, to excel at what they do, thereby advancing themselves and the restaurant they work for? Is it the promise of making more money? Superb employee benefits? Feeling that they have a stake in how the business performs? Or is it as simple as wanting to meet the management's consistently high expectations of its employees? The answer is "yes" to all of the above or any combination.

Four essentials

The restaurants, large and small, featured in this article have all found a specific key to motivating their employees to do better, yet their successful approaches are as varied as the restaurant business itself. There are a few basics, however, that apply to any business striving to realize the full potential of its workforce.

Gen LaGreca, president of Hospitality Industry Training, based in Golden, Colorado, outlines four essentials for establishing a work environment that motivates all employees to do the best they can:

Respect: "Treating all employees with respect," says LaGreca, "sets the terms for reciprocal behavior. That includes basic courtesies like 'please' and 'thank you,' giving employees your full attention when speaking with them and, when necessary, criticizing privately and fairly. Respect breeds respect, and a good manager sets that tone."

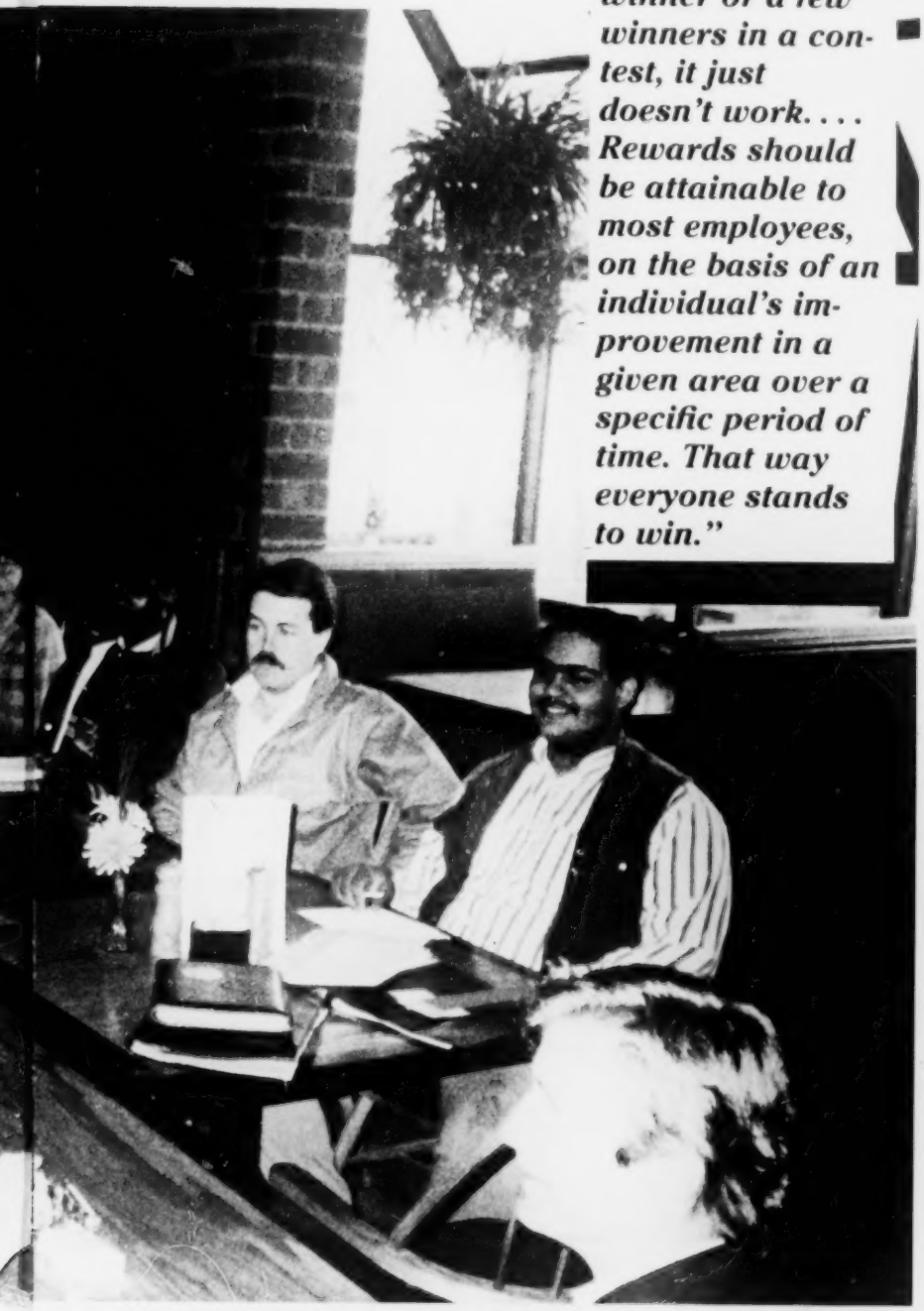
Feedback: "Employees are motivated by the kinds of things the manager checks on, but," LaGreca admonishes, "a good manager has to follow up on expectations and suggestions to get results. Any employee knows that if something is really important to the manager, it will be checked." To simply say that certain things are critical to performance without consistent follow-up will undermine the entire process.

Rewards: Praise, certain incentive contests and special awards for performance can be very helpful motivating tools. However, LaGreca cautions against contests or awards focusing on only one winner: "The individual has to be the base. When you have only one winner or a few winners in a contest, it just doesn't work. It acts as a disincentive to the majority of employees, who know they don't stand

Joan Herlong is a freelance writer in Greenville, South Carolina.

by Joan Herlong

"The individual has to be the base. When you have only one winner or a few winners in a contest, it just doesn't work. . . . Rewards should be attainable to most employees, on the basis of an individual's improvement in a given area over a specific period of time. That way everyone stands to win."



Employees at McGuffey's restaurants participate in monthly "associate board" meetings with upper management. Representatives—including cooks, waiters and bartenders from each location—can feel free to discuss problems and make suggestions for improvement.

a chance at winning. Rewards should be attainable to most employees, on the basis of an individual's improvement in a given area over a specific period of time. That way everyone stands to win."

Motivating by example: An effective manager is essential to inspiring employees to do a consistently good job. LaGreca sees restaurant managers as role models for establishing and generating enthusiasm. If they have a "want-to-come-to-work" attitude, they're bound to transmit that enthusiasm to their employees. Managers also set the tone for dealing with guests. They can't expect the waitstaff to treat guests with respect if they don't do it at all times. That includes avoiding snide remarks like "Boy, Mr. Smith seems to think he owns that table. When is he going to leave?" A cynical attitude can also be contagious. "To be an effective role model for top performance," continues LaGreca, "a manager has to display a consistent, genuine attitude toward his work and to the customers."

Each of the following restaurants applies some aspect of LaGreca's guidelines with strong results.

Respect

Michael Hurst, the very hands-on owner of the 15th Street Fisheries restaurant in Fort Lauderdale, Florida, believes the best way to motivate employees is to "orient to people, not to profit. When the focus is on profit, you've got a lot of paperwork, and the management is always on the defensive," says Hurst.

Hurst focuses on his employees as people in order to help them fulfill their potential while they work for him. Focusing on good work—not long-term work—is Hurst's method for motivating employees. "It starts when you hire people," Hurst maintains. "Part-timers are critical in this business—but they always have something else that's more important than the job. So you have to be flexible and sensitive to their needs. But while they're here, they're glad to be here, because the job is helping them achieve their outside goal."

As an example, Hurst talks about an employee who joined his staff to help pay off some of her husband's medical bills: "I knew when she started that this woman was essentially giving me two years' notice. When you understand and support an employee's personal goals, the person is delighted. I don't ask for more than people are able to give. The job then gives them more than just money; it helps them succeed in their goal."

The reciprocity of respect is clearly at work in Hurst's approach to his employees. Former assistant manager Karen Frenzel says Hurst "encourages us to meet our outside goals, such as school, and he really tries to accommodate our personal schedules. But by the same token, I don't know of anyone who wouldn't gladly change his or her schedule to help him out if he needed it. It's just returning the favor."

Taking good care of staff

Keith Dunn, president, CEO and co-owner of McGuffey's Restaurant, Inc., of Asheville, Hendersonville, Hickory, and Charlotte, North Carolina; Greenville, South Carolina; and Knoxville,

REWARDS

Max Karl Winkler

Shine the spotlight on those employees who make a difference in your restaurant's success! Let them know they make a difference—and that you appreciate them.

You can shine the spotlight without hefty bonuses, "thank you" trips and expensive gifts. Here's a summary of time-tested, low-cost employee-recognition techniques to get you started:

□ **Bulletin-board announcements.** Recognize the accomplishments of an employee in front of his or her peers, and you'll build a lasting sense of pride and loyalty. A bulletin-board announcement, perhaps coupled with a photograph of the employee, is one good way.

□ **Memos for the file.** Do you want to thank an employee for a job well done? Write a letter of appreciation and let your employee know that you're placing a copy in his or her personnel file.

□ **Newspaper and magazine releases.** Many newspapers and magazines will publish short news briefs about your employees. Suburban weeklies, business publications and industrial/trade magazines are usually eager for this type of information. Don't overlook the power of a two or three-line write-up in the paper; most employees have never been mentioned in the press and will cherish even the smallest mention. All it takes is a one-page news release, stating the employee's name and the facts surrounding his or her accomplishments.

□ **Symbolic incentives.** Do you have a stuffed animal that serves as the company mascot? A traveling trophy? A humorous wall display? Let your mascot or display serve as a symbolic token of appreciation for a job well done. Circulate it to an employee who has performed well for a limited period of time.

□ **Professional education.** As a token of gratitude for exceptional performance, consider sending a valued employee to a professional seminar or training course. You'll recognize your employee's accomplishments and provide him or her with skills that will enhance future performance.

□ **Ambassador service.** If an employee has served you and your company well, let the person serve as your "personal ambassador" from time to time. He or she can attend ceremonial functions in your stead, speak to gatherings of employees and, perhaps, even represent your company at professional or trade shows.

□ **Simple gifts.** Small gifts—such as coffee mugs and company sweatshirts—are deeply appreciated by many employees. Buy imprinted goods in quantity; they can double as public-relations giveaways.

□ **Plaques.** Although plaques are one of the most traditional ways of recognizing outstanding employee performance, they're still effective—especially when they're located in a prominent place.

□ **End-of-the-month recognition.** Consider recognizing one outstanding employee at the end of every month or every quarter. You can turn this occasion into an event by hosting a coffee hour for the employee to be recognized or by adding his or her name to a "featured employee" display.

□ **Employee coaches.** Let your top employees act as mentors and coaches to new employees—or even to established employees seeking professional growth. The honor will not go unnoticed, and the coaching experience will give your top performers new skills.

□ **Time away.** Do your outstanding employees have a subject they would like to learn more about or a special work-related project they would like to pursue? Give your really good people time away from their routine duties and let them pursue these special interests. Well-rounded, appreciative employees will be the result.

□ **Luncheon recognitions.** Once a quarter, schedule a simple "thank you" luncheon at which you recognize top performers. Make sure your top management team attends.

□ **Gifts for the family.** To recognize a good employee, recognize his or her family! Offer a dinner out, a trip to an area amusement park or some other simple token of appreciation the whole family can enjoy.

□ **Advertisements.** While ads can be a bit on the costly side, don't hesitate to honor your people in paid newspaper or trade ads. Or let your present advertising do double duty: Add an employee-recognition tag line to your advertisements.

Use these suggestions to begin thinking about ways you can recognize the people who make a difference in your firm. And remember: You don't have to use *all* of these techniques to build an effective recognition program. Just as a single employee can make a unique contribution to your business, a single form of recognition can serve as a unique honor to the employee.

—Richard G. Ensman, Jr.

Tennessee, happened upon his approach to employee motivation through trial and error, but he's definitely arrived at a formula that works for him. "Listen to your people, respond to their needs," advises Dunn. "They take care of customers. If you are taking care of your employees, sales take care of themselves."

The two main ways that McGuffey's "takes care" of its employees are through employee input and through employee benefits. Dunn formed an "associate board" to foster open communication between upper management and employees. Once each month, two servers, two cooks and one bartender elected from each restaurant gather with Dunn and his partner to discuss any problems or suggested improvements. The managers have their own "focus group," which meets with the owners each month. It is made up of two managers elected from every establishment.

Dunn is enthused over the feedback the two monthly meetings provide. "We talk about whatever they have on their minds, whether it's dress codes, gratuities or job frustration. It took us two years, but now we've won our employees over. We've convinced them that upper

THE MAGIC OF PRAISE

Praise can work magic in the workplace. It can reinforce positive workplace attitudes and behavior, improve productivity and, ultimately, win the hearts and minds of just about everyone you work with—colleagues, employees, even suppliers.

Authentic praise—praise that's compatible with a manager's style—can be effective whether it's used to put closure on key accomplishments or to pull members of a team toward a distant, but compelling, goal.

When can you most effectively use praise, and how can praise help you achieve the goals important to you and your restaurant? These suggestions may be a starting point.

☐ **Use praise to improve morale.** Is an employee "down in the dumps"? Have your people been working especially hard lately? A few well-placed compliments can brighten the tenor of your establishment.

☐ **Use praise to call attention to goals.** You can speak about key company goals and objectives time and time again, to no avail. But until those goals become important to your employees, they won't become the center of attention each day. So when you notice an employee taking action that will help you achieve an important goal—action that will serve as an example for others—it's time for praise.

☐ **Use praise to reinforce behavior.** If you're trying to instill positive work behavior in your employees, always note "model behavior" when it occurs. And don't be afraid to hold model behavior up for public praise; in doing so, you'll set the standards for the entire workplace.

☐ **Use praise to shape behavior.** If you're trying to orient a new employee or if you're trying to help an employee overcome a problem, there's nothing better than praising him or her when something is done right. Praise an employee once for good performance, and he or she will be apt to perform well in the future.

☐ **Use praise as a tool of oversight.** If you'd like your employees to know that you're interested in them and that you truly want to know what's happening in your restaurant, don't hesitate to offer praise as you walk casually through the restaurant or back of the house. Candid, unplanned praise lets your people know that you're interested and watching—and that you care about what they do.

☐ **Use praise as a tool of recognition.** No doubt you encounter employees who perform admirably—and exemplify the qualities your company stands for. Public praise and recognition hold accomplishments and contributions up for all to see.

☐ **Use praise to build leadership.** You can build confidence in prospective leaders by affirming their latent leadership qualities—and grooming them through praise. Build the self-esteem of future leaders every chance you get, and you'll help build your restaurant's future.

☐ **Use praise as you document employee performance.** Many managers only document employee performance when something goes wrong. Next time you notice an employee doing something exceptionally well, compose a note for the personnel file or for an upcoming employee appraisal.

☐ **Use praise to add humor to the workplace.** Some employee achievements don't call for formal praise but for informal—even humorous—recognition. An employee who consistently spreads cheer around your establishment, bakes cakes for birthdays or adds delight and levity to staff meetings might be praised with a humorous or offbeat memento.

☐ **Use praise as a tool of effective public relations.** If you have a model employee or a high achiever on your staff, don't limit that news to your own company ranks. Let the entire community know! Issue a news release or make a public award. Ask your local business papers and newspaper columnists to pick up the noteworthy information and share it with the rest of the world.

☐ **Use praise as a "thank you" tool.** Perhaps there's no way to thank people for what they do as deeply as you'd like. But a sincere, well-planned personal "thank you" can be full of meaning for a dedicated employee or colleague—and might even produce more appreciation than a routine bonus or an enhanced fringe benefit.

—Richard G. Ensman, Jr

management really cares about them," he says.

Corporate executives also interact with other employees in "see you to the top" classes, which focus on employees developing personal skills, such as goal setting, having a positive attitude and building a healthy self-image. Upon completing the course, hourly employees receive a 50-cent raise, which remains in effect as long as employees take yearly updates.

Dunn also demonstrates caring by offering employee benefits. After six months with McGuffey's, all full-time employees (95 percent of the staff) are eligible for group life insurance, health and dental coverage and membership in the employees' credit union. After one year, full-timers also enjoy profit-sharing privileges and one week of paid vacation.

All McGuffey's managers are evaluated every three months, and their quarterly bonuses—up to 20 percent of base pay—tie in to performance. All other employees are evaluated bimonthly, with improved pay and scheduling that depends on their progress.

Dunn's approach works. Turnover now stands at less than 48 percent overall. Dunn says, "I interview about three managers a week for no current openings, just because they've heard that we treat people decently."

Motivating by example

Joe Katin has been with the International House of Pancakes (IHOP) for 24 of the company's 30 years in business. He owns 10 IHOP franchises in Texas. His approach to employee motivation is to motivate through his own example—but it's no easy task to keep up with him!

There isn't an IHOP job that Katin has not done, or does not continue to do, since he bought his first IHOP franchise 14 years ago. Says Katin, "I love to work. It's actually relaxing for me to work in an IHOP. I cook both days every weekend in one of my IHOP stores, especially ones that might be having some problems—and there's a lot I can teach my cooks, too, since I was an IHOP cook myself for four years. I obviously don't expect more from my employees than I can do myself. I don't hesitate to tell a busboy how clean I expect the washrooms to be, because I clean them all the time."

The key motivator for Katin is his own love for his work, and he makes no bones about his employees' opportunity to profit from his example: "I do IHOP well; it just comes naturally, like brushing your teeth. You should stick with something you like and do well. If you stick with me, you'll make money with me."

If pure love of work isn't enough, each of Katin's 10 store managers also earns 30 percent of their restaurant's profits. "The harder they work, the more they make," explains Katin. Whenever Katin opens a new IHOP franchise, his managers get a 3 percent interest in the new store's profits. "This gives them an interest in ensuring that all the stores are a success," Katin continues. "The managers all pitch in to help make it go at the new place."

Katin believes that the best employee motivator is the prospect of making more money. "My personal motivation has always been money," says Katin, "and I think that's true of anybody."

But money is not everything with Katin. As consultant LaGreca advises, Katin also motivates his employees through promotion rewards and a strong belief in the importance of a good manager. "I reward good people. I hire every manager from within, so that I know their track records. When I hire, I make it clear that if you do a good job, you'll get your 'own' restaurant, become a part of our team."

Katin takes pains to cultivate his own managers. "The first key to a restaurant's success is location, but the second key is management," he says. "Every manager is part of my management family. I talk to all my guys daily—at least 20 minutes to an hour. We never lose sight of one another. I'm a perfectionist, and they all know that. You've got to be motivated to do well yourself first, or you can't motivate anybody else. The minute you slack off, the people under you see that and they do it, too. All my people know what they're expected to do. The ones that don't just aren't there."

In recent years there has been a push to place financial information in the hands of non-management employees to increase their commitment to financial goals. This is a laudable activity, but employees need and desire a much more basic level of feedback on their performance. When they look at the big picture without some handle related to their own job, hourly employees are often overwhelmed and lost in the numbers.

Average check has been used in evaluating the performance of food servers. Hoteliers have considered rooms cleaned per eight-hour shift a reasonable way to evaluate performance for housekeepers. But what measures are used to give feedback to the rest of the staff? Too many employees have no way to quantify what they are accomplishing, and they receive even less guidance on how to evaluate the quality of their work.

Employees usually know what counts in their work. But they feel frustrated because management fails to recognize the measures of efficiency and effectiveness in their jobs. Since no feedback is given, too many employees ignore the known performance measures and work below their potential.

Employees can devise rating forms

If asked, employees, working with other employees who perform the same job, can devise simple checklists or rating forms for their particular jobs, identifying the five most important indicators of quantity and the five most important indicators of quality. Each of the 10 categories of evaluation can then be assigned a possible ideal score of 10 points—leading to an overall potential of 100 percent for a day's work. (See exhibit.)

Managers, of course, can contribute to the development of these forms, but the employees must accept the final results. Otherwise, the feedback system breaks down before it gets started. The final form can be

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FEEDBACK IMPROVES PERFORMANCE

Employees need a measure of daily performance and a basis for relating to the big picture.

by Lewis C. Forrest, Jr.

EMPLOYEE FEEDBACK CARD

NAME _____

DATE: _____ **SCORE (0-10)** _____	SUN	MON	TUE	WED	THU	FRI	SAT
1. I reported for work on time with a positive attitude.							
2. I was friendly to all guests and cooperated with other employees.							
3. I checked every item I served to ensure quality standards.							
4. I maintained a clean and organized station throughout my shift.							
5. I closed my station properly, leaving no unfinished work.							
6. I sold a cocktail to at least 70 percent of the adult guests I served.							
7. I suggested at least one additional food item for each guest I served.							
8. I sold a bottle of wine at more than half of the tables I served.							
9. I sold desserts to more than half of the guests I served.							
10. I resolved all guest complaints brought to my attention.							
Total score							
INITIALS							

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printed with space for seven days of ratings to correspond to the workweek and can be the size of a time card. A new form can be provided with a new time card each week and can be kept in the time-card rack.

The focus of the form should always be on employee effectiveness—those behaviors that the employee controls that bring about the desired results. At the end of each day, before punching out to go home, employees should be asked to evaluate their performance for that day and to initial the rating form. This gives weight to the ratings because, in essence, they are signing their work.

Well-trained employees should score high on the rating system, but few employees will mark themselves 10 in all categories every day. Even the ones who tend to give themselves high scores will drop back a point or two at times. Peer pressure helps to keep the system honest. Extremely low scores should be investigated to determine the cause; additional training, coaching or counseling may be required.

Managers must be involved

For the system to be effective, managers have to read these evaluations and give feedback based on the results. Employees need the recognition that comes from objective feedback, even when the feedback comes from a self-scored form. To further maintain the integrity of the data in such a feedback system, managers should use the same forms used by the employees and should spot-check performance. Then the manager should compare his or her observations with the ratings by the employee in a feedback session.

Managers should also record the daily scores of each employee on a master sheet for each month. Then at monthly meetings, this information, along with data from financial statements, can be reviewed to show how individual performance related to financial results.

Feedback is essential

To recap, feedback is essential to the development of healthy employees who love their jobs and feel good about their personal contribution. Too often, when asked how the day went at work, employees respond, "I don't know . . . , okay I guess." Wouldn't it be great to have a staff who took pride in smiling and saying, "Great! I gave myself 98 today. Not bad even if I do say so myself!" ❑

GRA

by Jacquelyn Denalli

When Joan's* husband died after a brief illness, her friends and co-workers were impressed with how well she handled the situation. She bounced back quickly, appearing philosophical about her loss and willing to get on with her own life. But eight months after she became a widow, when a man came into the restaurant where Joan worked and ordered prime rib well done with extra horseradish sauce, she fell apart. It was the way her husband has always preferred his prime rib. She walked away from the table before the customer could finish placing his order and barely made it into the kitchen before she burst into tears.

Vince* had been cooking in the same place for almost 10 years. It was a cozy cafe where he was able to get to know his customers. He had a regular following who appreciated his innovative menus and personal attention. But Vince began changing. He became forgetful and surly, the quality of his food preparation dropped and soon even his most loyal customers were complaining. Yet Vince was too embarrassed to talk about what was wrong. He didn't want anyone to know his teenage son was addicted to crack cocaine.

Grief carries over

Although Joan and Vince were experiencing completely different circumstances, they had one thing in common: They were dealing with grief from a personal tragedy. It is not realistic to expect employees to be able to leave the effects of such problems at home. Death, divorce, serious illnesses or other crises frequently carry over into the workplace and can affect on-the-job behavior. Even the loss of a pet can have an effect.

Still, the most compassionate supervisors may find themselves at a loss when faced with a grieving employee. While most crises cannot be foreseen, the stress of difficult situations can be eased by establishing procedures before they are needed.

There is a certain amount of comfort when both the employer and employee know what to expect.

"It's hard to legislate emotions and feelings," notes Mimi Hull, Ph.D., of Hull-Levine and Associates, a human resources development firm in Maitland, Florida. Consequently, many companies limit their written policies to guidelines on the amount of time off an employee may take when there is a death in the family. For other situations, unwritten policies may vary depending on the specific circumstances and the employee involved.

When employees experience a very traumatic, stressful situation, it is important to offer empathy and understanding and to make sure they know that their jobs will be waiting when they are ready to come back to work. That support is critical, especially when an employee has lost a loved one. Hull says, "People in such situations are in enough turmoil. When they know what to expect at work, that level of expectation can help them deal with the loss. People have been known not to take time off because they are afraid they are going to lose their jobs."

Notifying fellow employees of a death in a co-worker's family is a delicate task. Hull suggests taking aside key associates of the person affected and letting them know first, because associates are able to provide both work-related and personal support. The grapevine that exists in most restaurants and offices will usually take over from there; but if it's appropriate, you can distribute a simple memo to inform the rest of the staff.

Most companies arrange for flowers to be sent and will frequently designate an official representative to attend the funeral. Hull cautions against allowing co-workers to develop the impression that there is nothing else to be done. "People at work feel a sense of helplessness, and they want to do something," she says. "The employer can get people involved in what is being done to help the employee and the family."

John Dowd, general manager of the Park Plaza Gardens in Winter Park, Florida, agrees. "I talk to the person to find out if there's anything we can do as people—rather than as a company, to make sure there isn't anything we have not thought of. Each case is different. You try to find out what each person's needs are."

Need for help continues

The need for help does not end when the funeral is over. "There may be some inconsistencies in the employee's work for as much as a year afterward," Hull says. "Recognize that people experiencing a loss may initially bury themselves in their work. They may have a tremendous output; then a few months later there may be a sudden decrease in production."

Grief can be especially hard to handle for employees who work with the public.

Jacquelyn Denalli is a freelance writer in Orlando, Florida.

**Not their real names.*

GRIEF IN THE WORKPLACE

How to help when an employee suffers a personal tragedy.

Before taking any disciplinary steps, remember the productivity level prior to the loss.

Grief can be especially hard to handle for employees who work with the public. Hull says it's difficult to predict what might trigger a grief-related reaction. For example, a server whose mother recently passed away may find working on Mother's Day especially traumatic. "Ask the server if he or she wants to work on that day," Hull advises. "Some people will say yes, because they feel that if they're busy and dealing with people, they'll have less time to dwell on their feelings. Others in the same situation may not be able to stand being around happy people on a holiday."

But it's not just formal holidays that can cause challenges for both the grieving worker and management. An employee may react if a customer resembles a deceased loved one, or a worker simply may not function well on dates that hold personal significance. A server who recently lost custody of his or her children may find it difficult to wait on a family celebrating a youngster's birthday.

Recently widowed or divorced employees with children at home may have child-care problems added to their trauma. Middle-aged employees may be doubly burdened with teenagers and elderly parents who need care and attention.

Performance problems may prompt a grieving employee to ask for a demotion to a job that is easier to handle or to consider leaving the company altogether; but this is not the time to make such decisions. Hull says, "Employers should encourage the person with the loss not to make any other major changes in their lives for at least a year."

Companies are involved

More and more companies are choosing to get involved when an employee's performance suffers because of personal problems. There is a practical side to this humanistic attitude: The expense of replacing a trained, experienced employee is usually greater than the expense of helping that person work though a difficult situation. The cost becomes even more apparent in an industry suffering from a labor shortage.

When productivity begins to slip, Hull suggests documenting behavior and dealing with specifics rather than generalities. For example, an employee who suddenly develops a pattern of chronic tardiness should be shown a list of the times and dates when he or she arrived late, rather than be confronted with the statement, "You've been late to work too often." In private, offer the worker the opportunity to discuss problems and share any rumors circulating about his or her personal life. Then deal with the facts and offer as many options as possible, including counseling.

"In an employee-employer relationship, it's important to have total communication and the ability to sit down and talk," says Dowd. "Make sure that when somebody does have a problem, you deal with it immediately. And make sure your people know you are willing to talk with them whenever they have a problem. That way, things don't get out of control before you handle them."

When Dowd notices a negative change in behavior or attitude, his first step is a nonthreatening conversation. "I try to find out if something has happened in their lives that is causing problems; then I discuss the situation with them. Helping people deal with their problems is one of the most important things a manager can do. It's also important to let them know you're there to support them rather than to jump on them."

Although he genuinely cares about the welfare of all of his employees, Dowd understands that compassion can only be carried so far. "After the initial conversation, we set up a plan for things to improve. We schedule further discussions at short intervals to monitor the individual's progress. But if things don't improve, you have to take a businesslike approach and let people know that if they don't change, they may be terminated."

When appropriate, Dowd encourages troubled workers to take time off. "I suggest vacation if they have time coming," he says. "If they don't have vacation time, the situation can sometimes be covered with sick pay. We had one instance where a server couldn't wait on tables for several reasons. So we found work that was not with customers for that person to do temporarily."

If you do offer a temporary assignment, Hull advises setting a firm time limit. "Don't say, 'You can do this until you get your problems worked out.' Instead say, 'You can do this for the next four weeks.' " Remember, too, that kitchens can be dangerous places. "You may want to offer a host or server the opportunity to work away from the public for a while, but a distracted, inattentive worker can be a serious liability in the kitchen. Make sure your decisions are guided by safety considerations."

Supervisors in companies with employee assistance programs (EAPs) should refer troubled staffers to those programs for counseling. Some chambers of commerce and other professional organizations have developed EAPs for their members. If you do not have access to an EAP, you may want to consider subsidizing the cost of counseling, at least on a short-term basis.

Stress need not be terminal

"Invest in the employee, and tell him or her what you are doing," Hull says. "Stress does not have to be a terminal illness." This type of support gives the employee an increased sense of self-worth that will help him or her deal with the situation.

"Perhaps the nature of the tragedy cannot be changed," Hull observes, "but one's ability to cope with it can be strengthened." ❑

by Dorothy Dee

MANAGER/PARTNER PROGRAMS

From North to South and East to West, restaurateurs are giving away the one thing no one ever thought they would—a piece of the business!

Single-unit independents, small multi-unit organizations and large chains are opening up their ownership ranks to key employees (chefs, front-of-the-house managers and even personnel, marketing and finance executives) through manager/partner programs.

Richard Melman, president of Lettuce Entertain You Enterprises, Inc. in Chicago, Illinois, started in the restaurant business in 1971 with a partner. Today he has approximately 23 managing partners in his growing organization, which now boasts 28 restaurants, with three more under construction. Melman says, "My goal has never been to be the richest or the biggest, but I have always wanted to do it right and to be the best; and I have found myself able to do this when I took others in and shared the responsibility and the reward."

A few years ago Robert Bell and Michael Franks, co-partners in Michael & Robert's Melange Inc., an umbrella organization that includes Fino's, a Mediterranean bistro in Torrance; Misto Cafe & Bakery in Torrance; Chez Melange, a brasserie in Redondo Beach; and Chez Allez, a gourmet market in Redondo Beach, decided the key to expansion and greater personal freedom lay in offering a few key employees a piece of ownership in their restaurants.

Today both the chef and front-of-the-house manager in two of their restaurants—Fino's and Chez Melange—own part of the business. A similar deal is envisioned for a third restaurant. Bell admits, "This is the only way we can see ourselves expanding to four, five or even six restaurants."

Au Bon Pain, an 80-unit French bakery cafe chain based in Boston, Massachusetts, has received considerable attention for its innovative manager/partner program.

And at Shells Restaurants, a 25-store chain headquartered in Tampa, Florida, and operating in Florida, Georgia and North Carolina, general managers are partners and can own up to 10 percent of a restaurant.

The pros

These and other restaurants have implemented manager/partner programs because they reduce manager turnover, cut down on retraining costs and improve morale. A manager/partner program often improves the quality of an operation because the manager gets a vested interest in the business. Optimally, it also frees up the owner's time to pursue other avenues of interest, including expansion. And, undoubtedly, the presence of a manager/partner program attracts prospective employees to the organization.

Melman believes the presence of a manager/partner program has drawn talented people to his organization. "I know we have been successful because we have allowed partners in, and that is why a lot of good people come to us." Lettuce Entertain You Vice President of Human Resources Loret Carbone says that the company's turnover rate for managers is 19 percent, although the turnover rate for hourly workers, including summer employees, is 89 percent.

The cons

Still, manager/partner programs are not for everyone. National Restaurant Association Director Thomas Kershaw, owner of the Hampshire House Restaurant and the Bull and Finch Pub in Boston, Massachusetts, has embarked on manager/partner programs several times in the course of his career. He cautions that they are not always the motivator owners hope them to be and can be costly mistakes when personnel changes are required. "Someone used to being an employee and getting a paycheck and taking direction cannot always be as responsible as a partner needs to be," Kershaw said. "Owners must be willing to go without a paycheck, and these new partners may not be willing to do this. They still may want an annual review and an increase in salary."

The structure

There isn't any universal arrangement for manager/partner programs; they are tailored to meet the needs of the company, its owners and the newly made partners. Their structure more likely than not reflects the personal style of the owner. Variables include whether the program is open to everyone in a certain job class, whether admittance into the program is volun-

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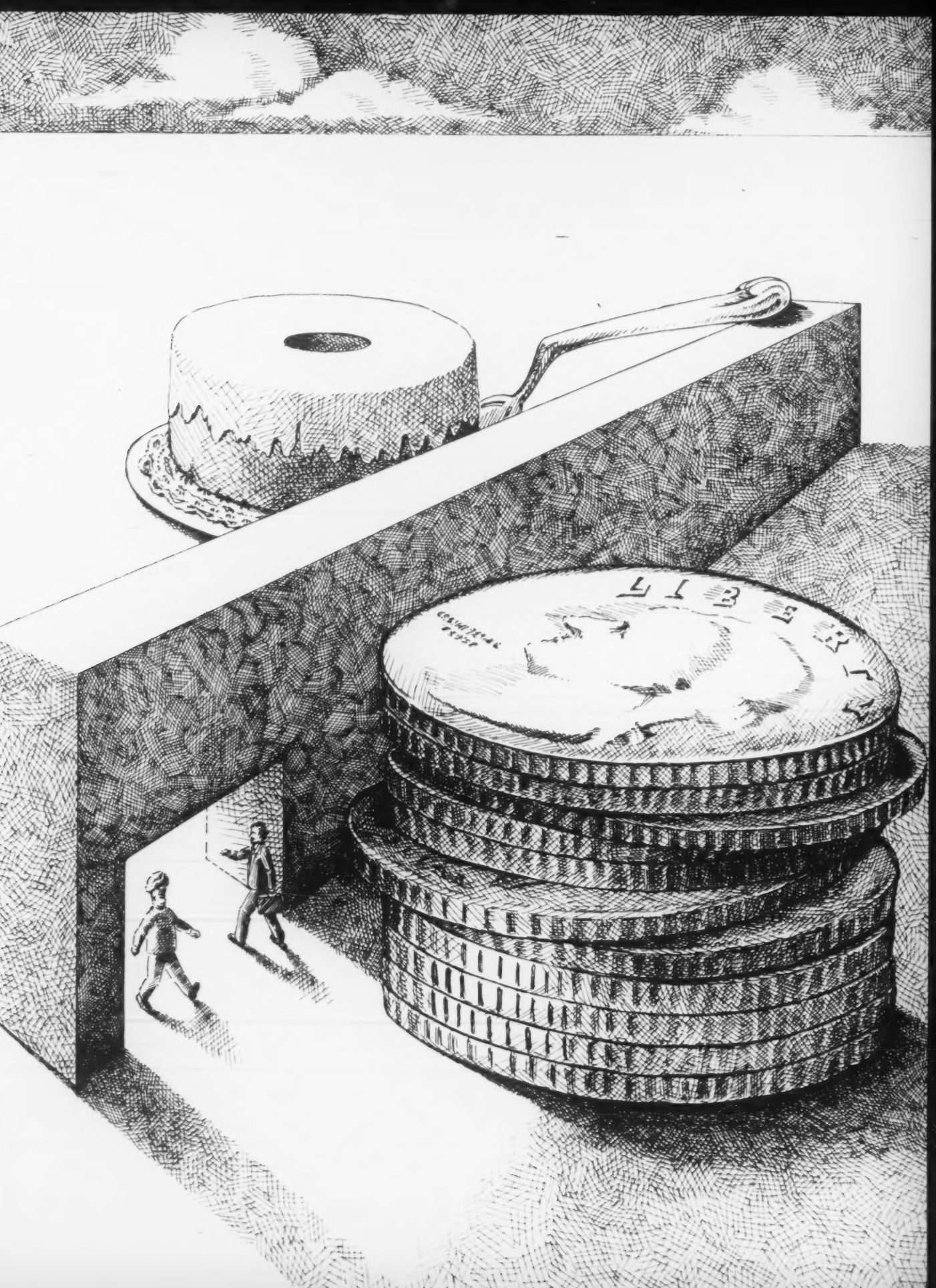

tary, and whether there is a financial commitment on the part of the manager/partner.

Theoretically, this type of program could be instituted in a small operation with as little as one key manager (say a chef), a multi-unit chain with many managers or even a large independent restaurant with several key management people.

Financial arrangements can be structured in any number of ways as well. Ownership can be transferred in the form of stock, which can be privately or publicly held. Sometimes shares are given outright without cost. Sometimes they are sold to managers at the market rate or a discounted rate. And sometimes they are transferred over a period of years. Ownership or a share in the profits can also be given as a financial incentive in the form of stock or even cash attached to performance—say, a percentage based on increased profits or a healthier bottom line.

Typically, the stock is sold back to the company at the time of termination. The company might agree to buy back the stock at the market rate or at whatever the manager/partner paid for it.

Manager/partner programs may or may not involve a financial obligation on the part of the manager/partner. Some manager/partners run the operation, and their performance is considered "sweat equity." Other partners make a financial contribution and may even ante up money when the restaurant suffers a loss.

At Chez Melange and Fino's, in addition to a competitive salary, the chef and front-of-the-house manager/partners acquire equity in the restaurant at the rate of 2 percent per year with a cap of 10 percent in five years. This is convertible to cash when they leave. At that time, the restaurant is valued, and the terminating partner is given a cash amount reflecting his interest. Partners at Chez Melange and Fino's also receive an annual bonus—10 percent of net profit.

The typical manager/partner

Manager/partners possess special skills that are critical to the operation of the establishment or organization. Typically, they have established a relationship with the company through working at the restaurant in a responsible capacity for a period of time.

At Au Bon Pain, in order to qualify for the manager/partner program, general managers must be with the company at least four months.

Manager/partners at Lettuce Entertain You have usually worked with the company in another capacity for at least two years and proven their skills, abilities and worth. Prospective manager/partners at Lettuce must also demonstrate leadership qualities, excel at what they do and develop and train a replacement. Furthermore, chef and operating partners must also know how to run a restaurant efficiently. In fact, before some managers at Lettuce become partners they might be given a restaurant to open.

Carbone, now vice president of human resources for Lettuce Entertain You and formerly a practicing psychologist, worked at the Pump Room in Chicago as a waitress during a sabbatical almost 10 years ago. Her excellent interpersonal skills caught the eye of management and eventually led to positions of increasing responsibility and partnership.

Robert Bell had at least a seven-year business association with the chef and with the front-of-the-house manager whom he made partners in Fino's.

The responsibilities

Partners often wear many hats. For instance, Russell Bry, corporate chef and partner in Lettuce Entertain You, is also the chef of (but not partner in) the Eccentric, a brasserie-like establishment in the River North area of Chicago that caters to a young professional crowd with what Bry terms "comfortable food that people will be looking for in the '90s"—a lot of grilled and roasted items.

In addition to his responsibilities at the Eccentric, Bry is responsible for bottom-line costs at the four other Lettuce restaurants in which he has a share: Scoozi, Hat Dance, Bub City and the Tucci Restaurants.

Going the extra mile is a hallmark of all types of partnerships, including manager/partner programs. According to Bry, "No matter where your shares lie, you are a partner in the company. If someone needs help, the partners rally and come to that store's aid."

In addition to wearing many hats, manager/partners must be prepared to work long and hard hours. Bry, who worked 50 to 55 hours a week when he first came on board as a corporate chef, now works 70 to 80 hours a week. His advice to would-be manager/partners: "Be prepared to work harder than you have ever worked before. It is not a job you can leave at work." ❑

A sweet deal by another name

Chick-fil-A, Inc., has a joint-venture operating agreement that functions similarly to a manager/partner agreement with owner/operators who manage each of the organization's 427 units.

Chick-fil-A owner/operators have many of the same rights and responsibilities that manager/partners do in other restaurant companies. At Chick-fil-A they enjoy virtually total autonomy over the operation of the unit (hiring personnel, staffing operations, overseeing food costs, etc.). And they share in the rewards: a 50-50 split (with the company) of the unit's net profit.

Donald Perry, manager of public relations/publicity for Chick-fil-A, says, "Chick-fil-A is for individuals who want to be in business for themselves but not by themselves."

The relationship begins with what the company calls a "financial handshake"—a $5,000 financial commitment from the owner/operator, which is reimbursed at the time of termination. Either party has the right to terminate the agreement at any time.

In essence, the owner/operator subleases the business from Chick-fil-A, which pays for the structure and equipment and enters into a long-term lease with the land owner. All operational costs are deducted from gross sales, before profits are split.

The owner/operator receives a minimum guaranteed annual income of $20,000 during the first two years.

The concept, which has been in existence since the chain began in 1967, has been successful. The average operator income in 1989 was $55,214, and the average owner/operator tenure in the company has been almost seven years.

LOOKING FOR HELP

Mike Murray found two young workers for his new Domino's through the Latter-day Saints Employment Service. Daniel Arrieta and Marvin Finley are conscientious hard workers and always on time, says Murray.

IN ALL THE RIGHT PLACES

Your affiliation with one or more community group can ease your hiring problems.

by Julie Fintel

Most restaurateurs say that they find the majority of their workers in response to a help-wanted sign in the window. When Mike Murray was ready to open a Domino's in June 1990 in Silver Spring, Maryland, he put a sign in the window, too. But, in an area that had been experiencing a labor shortage, he didn't just leave it at that. He also explored other sources of labor—a church group, a youth group and apartment complexes in the neighborhood.

Two of Murray's best pizza makers were referred to him by the LDS (Latter-day Saints) Employment Services, a nonprofit service run by the Mormon Church to find jobs for members. The LDS Employment Services, which is one of the more than 70 branches of the LDS Welfare Services throughout the United States, do not charge for their service; and employers do not have to be Mormons to use it. "Because Mormons have the reputation of having integrity and honesty and of being hard workers, we are really a plus for employers," says LDS placement specialist Beverly Gourley in Marlboro, Maryland. Murray agrees. He says his two young pizza makers are conscientious hard workers and always on time.

Julie Fintel is a freelance writer in Burke, Virginia.

Murray then decided to explore the area around his new Domino's. Apartment complexes were not only filled with potential customers, Murray reasoned, but with potential workers as well. To let the inhabitants know about the new Domino's opening in their area, and to let them know he was looking for help, Murray hung announcements on doorknobs. To get the word out further he used the

Courtesy of Future Homemakers of America, Inc.

Vernon Davis, a student at West Mecklenburg High School in North Carolina and a member of Future Homemakers of America, presents his Foodservice Team's gourmet desserts at the FHA National Leadership Meeting, which included competitions.

apartments' newsletters to announce he was holding drawings for free pizzas. He also used bulletin boards to post help-wanted notices.

As a result, Murray met a lot of the people who lived and worked in his community. Murray does advise operators who intend to spend time away from their restaurants to buy an answering machine to keep track of employment inquiries.

Finding potential employees wasn't the reason Murray signed up to sponsor a Boys' Club basketball team, but that turned out to be one of the fringe benefits. The boys and family members come to Murray when they need jobs. And when Murray was distributing his door hangers, he paid the boys to help him. Murray, who has played some basketball himself, hopes another benefit will be to cheer his Boys' Club team on to a winning season; but win or lose, the boys will be rewarded with free pizza after the games. And the Domino's logo on their uniforms will tell spectators who their sponsor is.

By getting to know his community and letting the community get to know him, Murray is finding both customers and workers. At the same time he is earning a favorable reputation.

Exploring other labor sources

Houses and apartment complexes, youth groups and church groups are just a few of the community sources for finding potential employees. Here are some others to consider:

□ **Women's groups.** Women are entering and re-entering the workforce in ever greater numbers. Most communities have organizations dedicated to helping women become economically self-sufficient. Some of these organizations focus on minority women, some are specifically for young single mothers and some are support groups for women who find themselves suddenly needing to work—because of either changed family circumstances or financial problems. These organizations often provide training and maintain job banks for their members. In Denver, Mi Casa has a job-referral system for the youth and women in the predominantly Hispanic neighborhood it serves. In Ft. Wayne, Indiana, the Ft. Wayne Women's Bureau, an independent, not-for-profit, grassroots organization, has many services for area women, which include peer counseling, a displaced-homemaker program, and support and networking programs targeted to women business owners, minority women, minority teens, women looking for new options and women in decision-making positions.

You can also find women in your community who need employment through community colleges, YWCAs and child-care centers as well as supermarkets, libraries, craft centers and places where exercise classes are held.

□ **Senior citizens' groups.** After they retire, many older Americans are ready for a second career or a part-time job to supplement a pension or Social Security payments. Some agencies, such as the Senior Community Service Employment Programs found in all counties in the country, train the seniors in needed skills and then help them find jobs.

To look on your own for older workers, go to senior citizens' groups at churches or community centers. Sandy Townsend, administrative coordinator of the Senior Community Service Employment Program for the American Association of Retired Persons (AARP) in Washington DC, suggests putting up notices at laundromats and convenience stores and at centers that serve free or discounted meals to older citizens. If you want to advertise, she advises, use the penny-saver papers handed out at local stores; their ads are cheap, and many seniors read these papers.

□ **Agencies for persons with disabilities.** With the passage of the Americans with Disabilities Act (ADA), restaurateurs should be focusing more than ever on finding and hiring disabled workers. Not only are there agencies that can provide disabled workers and the help to train them, but there is also government and private funding available to aid the employer who uses disabled workers (see ***Restaurants USA,*** December 1989, page 8).

In addition to state, local and private rehabilitation programs, there are

associations for persons with specific disabilities, such as the National Association of Retarded Persons. Look for local chapters in your area. The National Restaurant Association's Projects with Industry can put interested foodservice operators in touch with the agencies in their areas that work with disabled persons. (Call Brother Philip Nelan in the Washington DC office for further information at 1-202-331-5900.)

□ **Schools.** Students are still a perfect fit for foodservice because they need part-time jobs. High schools, vocational schools and colleges (especially hospitality programs) are excellent sources for workers. Get to know the guidance counselors, the team coaches and teachers. Take part in career fairs, sponsor work-study programs and offer to come to the school to talk about your business.

Trudy Marotta, senior college-relations representative for the Marriott Corporation in Bethesda, Maryland, works with two school-based organizations—Future Homemakers of America and Distributive Education Clubs of America, with the long-term goal of interesting the students in careers in the hospitality industry. But students in these two organizations often work for Marriott as part of a work-study requirement, or because when they need a job, they think of Marriott, which has sponsored competitions and conducted workshops for them.

In Massachussetts, restaurant owners and operators sit on culinary and restaurant-management program advisory boards at the vocational high schools. Most of those students begin working in foodservice at 15 years of age. During their senior year, to hone their skills and to get references, the students must spend every other week of the school year working full time in a foodservice facility—at jobs ranging from broiler cook to supervisor.

□ **Minority groups.** There are various agencies and support groups that are good sources for finding minority workers. For example, the Urban Leagues across the country have special skill-training programs, counseling and job-placement services to help African-Americans become a vital part of the employment picture. Other organizations help Hispanics or recently arrived Asians to find work.

Courtesy of Ft. Wayne Women's Bureau

The Ft. Wayne Women's Bureau offers many services to women, including peer counseling, a displaced-homemaker program and networking programs. It was a sponsor of the 1990 Women's Conference held in Ft. Wayne.

In Springfield, Virginia, the Vietnam Refugee Fund includes job information and placement services as part of its services to help Vietnamese settle in the area. In Commerce, California, the Mexican-American Opportunity Foundation offers similar services to Mexican-Americans. Many state employment agencies also include refugee-resettlement programs.

In addition to organizations and agencies like these, employers who want to recruit minorities can contact churches, centers where English-as-a second-language is taught or community centers, youth centers or schools in minority neighborhoods.

□ **Others professions as employment sources.** Certain professions make good employment pools. Many teachers like to supplement their income by working at a part-time job. The Heart and Hand in Clifton, Virginia, recruits teachers for its catering services. It's almost an honored tradition that actors wait tables to earn money until their talent is discovered. Members of sports teams often enjoy working in a sports bar during off season. Networking is probably the best way to target these groups, but ads in trade newspapers or notices on bulletin boards are other good ways to reach them.

Further advice

Joan Steinberg, vice president of Marshall-Alan Associates, an executive-search firm in New York City that specializes in the hospitality industry, makes the following recommendations for working with groups as employment sources:

□ Appoint a representative from your operation to go to the group's meetings to explain how you would like to help them.

□ Find a point person in the group to use as a contact.

□ Use direct mailings to reach those you consider to be potential employees. Direct-mail lists can be tailored to reach almost any segment you choose to target.

□ Contact the newsletters or bulletins of groups you want to aim at for your help-wanted notices. ❑

EXIT

To keep employees from leaving, talk to the ones who are quitting.

INTERVIEWS

by Jacquelyn Denalli

Turnover has always been an accepted part of doing business, but the problem is growing in significance. Today's employee is less inclined than ever to stick around for a gold watch. The average graduating college senior is likely to make more than 10 job changes in his or her career, and will probably make several career changes along the way. This increasing mobility of the American workforce presents some expensive challenges to employers, especially those in traditionally high-turnover industries, such as restaurants.

Rather than moaning over depressing statistics, savvy restaurateurs are looking for ways to reduce turnover and hold onto valuable workers. Exit interviews have proven to be worthwhile not only for employee retention but also as an evaluation tool.

"To understand why people leave the company is the first step toward correcting problems and preventing people from leaving in the future," says Larry Gray, director of employment for General Mills Restaurants, Inc., headquartered in Orlando, Florida. Even though some turnover is inevitable, such as when a spouse is transferred or when other personal problems force a resignation, most departing employees will have at least some insight to offer about your business and how to improve it.

Of course, it's not always practical to conduct an exit interview with every employee who resigns. At General Mills, formal interviews are conducted only at the management level and above. Managers are encouraged to hold a more casual interview with noncareer workers, especially if their departure is unexpected.

Joyce Steins, owner of Cafe Iguana in New York City, says there are three types of voluntary resignations: the individual who walks out in the middle of a shift, the individual who simply disappears without notice and the individual who gives notice. She conducts exit interviews with every employee who gives notice, but the tone of the interview is set by the worker's performance during the final days.

"It's been my experience that most people who give you two weeks' notice really don't want to leave," Steins observes. "We accept resignations and let them go for a week to see if their performance is in any way hampered by their decision. If it's not, we review their personnel chart and decide whether we'd like for them to stay. If we do, we use the exit interview to persuade them to stay. That gives us a chance to save employees after we've invested a lot of time and energy in them."

If the worker's overall performance has been marginal or if it drops significantly after the resignation has been tendered, the exit interview is used primarily as a tool to spot areas where the restaurant might improve operations.

"Usually there are underlying causes for the departure. Many times the real reason is a surprise to the person conducting the exit interview."

An example Steins gives is of a waiter who gave notice after two-and-a-half years on the job. His reason, which did not surface until he was well into the exit interview, was that he felt there was no sense of cooperation among the waiters. He thought the situation could be resolved with additional education. Steins offered to put him in charge of waiter training; now, in addition to his serving duties, he conducts classes and writes manuals. "We took a resignation and turned it around. We retained the employee and increased his value to the team," Steins says.

Questions to ask

The exit interview at Cafe Iguana consists of 10 questions:

1. Would you come back?
2. What did you learn from working here?
3. Do you feel your training was adequate for your position?
4. Were you treated fairly?
5. If you were not treated fairly, where was the treatment lacking?
6. Was your opinion valued?
7. If your opinion was not valued, in what specific areas were you ignored?
8. What would you change about the operation?
9. How would you review your immediate supervisor?
10. Who was the manager in control of your department?

Workers are asked to complete the interview in writing before a discussion takes place. "Writing it down lets them center their thoughts," Steins explains. "Many times, people will talk too much without really saying anything. When they write things down, you have clear points that become the agenda for a meeting."

Setting the stage for the exit interview is critical to its success, says restaurant industry consultant Jim Densmore. In many cases, workers are reluctant to tell the truth about why they are leaving. "Often they put up a smokescreen by saying the pay wasn't enough, or they got a better job, or they just wanted to go else-

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where," he says. While those reasons may be valid, he suggests probing further. "A person does not start a job to quit it. Usually there are underlying causes for the departure. Many times the real reason is a surprise to the person conducting the exit interview."

Densmore advises choosing a location for the final meeting that is as private as possible; an office is preferable, but an isolated table will do. The manager should focus his or her attention entirely upon the departing employee and not allow interruptions from other workers. "Let the person know you are sincere, that you want their help to create a better working environment for their former team members," he says. "If you can put yourself in the employee's place, the interview will go well."

The depth and approach of an exit interview will vary depending on the position held by the employee. At General Mills, management-level employees are contacted by an outside agency within two weeks of their resignation, and the exit interview is conducted over the telephone. "My theory is that someone who leaves the company will be more inclined to give an honest appraisal of the operation to someone from the outside, rather than taking a chance on burning bridges with someone from the inside," Gray says. The General Mills exit interview covers four major areas:

1. Why the employee left
2. What the company could have done to prevent the person from leaving
3. How well the initial job and company description matched the reality of working there
4. Suggestions for improving the company.

"Asking for suggestions to improve our company is a back-door way of finding out why someone is leaving," Gray says. He points out that exit interviews are a waste of time if the information produced is not used. "It's a good way to get ideas. We look for trends around the company and take action on them."

Investigating complaints

Rather than dismiss specific complaints about managers and co-workers, Gray investigates them. In one case, a manager resigned, indicating that his area supervisor was not providing sufficient opportunities for communication and participation. Research revealed that the manager's assessment was correct. Although the manager was unwilling to withdraw his resignation, the area supervisor was disciplined and given further development training. In another case, a hostess left, citing problems with the restaurant manager. Her complaints were justified, the manager was terminated, and the hostess was reinstated with no loss of seniority or benefits.

Densmore recalls when, during the opening of a new restaurant, a worker who had done well in training on her first day simply didn't report on the second day. Her co-workers claimed the reason was that she did not like the work. Densmore urged the general manager to call her in for an exit interview. It turned out she was thoroughly enjoying her job, but she did not fit in with the clique formed by other employees. Those workers convinced her she was going to be terminated, and rather than face being fired, she decided to just not come back.

"We worked that out, and she was reinstated," says Densmore. "A couple of the other employees didn't stay with us much longer after that. It's important to remember that sometimes employees themselves will gang up on one of their team members to get rid of the person." He adds that the fear of being fired is a common reason workers leave without notice. Often a rigid rule structure is the primary reason for this problem. "Some managers have this baseball theory that 'three strikes and you're out,' but there needs to be some flexibility there," he says.

Gray agrees. "Judgment is one of the things managers are paid for," he says. "If everything were black and white, you could hire robots. In our company, we have very few policies; however, we have a lot of guidelines. We stress consistency and make sure any disciplinary action is reasonable."

"To understand why people leave the company is the first step toward correcting problems and preventing people from leaving in the future."

A congenial parting

Although he doesn't conduct formal exit interviews, Steven Wemple, vice president and director of operations for Sailormen, Inc., a Popeye's Famous Fried Chicken franchise in Dade County, Florida, talks to managers and visits stores to track turnover and to respond to trends that may indicate a problem. He also insists on providing employees who leave with courteous, efficient treatment. "If I lose someone as an employee, that's my second concern. My first concern is that I don't lose that person as a customer," Wemple says. "Not everybody who works for Popeyes likes it. But if someone leaves, I want to make sure that our parting is as congenial as possible and that they're going to come back as a customer."

A common reason for turnover is the perception of a better opportunity somewhere else. "There are a lot of people in the hospitality industry, and they can go down the street practically any time and earn more money," says Densmore. "If you are sincere with them and give them the feeling of being a member of the family and a contributing part of the team, they'll stay with you." ❑

#111

Focus groups

There is an interesting format used in the field of marketing research called the "focus group." A focus group is an assembly of not more than eight to 10 people, brought together under the direction of a moderator to discuss impressions, perceptions and meanings about a product, service, organization, industry or idea. A focus group is intended to help market researchers refine their goals and approaches in constructing further research—all for the betterment of the project under consideration. A few months ago I moderated a group that focused on the foodservice industry. The night before, I had the strangest dream about four of the people I'd meet and talk to the next morning.

Me: *Welcome, ladies and gentlemen. Today we're going to ask for some of your impressions about the foodservice industry. Let's start with Mr. Salmon (#1). What do you do?*

#1: I'm a professional spy.

Me: *A spy? What or whom do you spy on? I would think a spy would want to keep his occupation a secret so he wouldn't blow his cover.*

#1: Oh no! I readily tell people I'm a spy. That's the best cover of all; no one believes me. They all laugh, and I keep them laughing; and through it all they tell me a lot of what I want to know. You can gather a lot of intelligence when people don't take you seriously.

Me: *Well, what do you think about the foodservice industry?*

#1: I think it's too open and aboveboard. I've never seen an industry where people share so much information with one another. You have great trade press and so many seminars and conferences. There's a whole lot of information out there, and I object to it. It makes it difficult for a hardworking, honest, self-respecting spy to make a living in your industry.

Me: *Mr. Bacon (#2), what do you do?*

#2: I'm a manufacturer of alcoholic-beverage-flavored toothpaste. We currently make toothpaste that tastes like scotch, bourbon, gin and so forth.

Me: *That's incredible. Is there any market for that? Do people really want to brush their teeth with toothpaste that tastes like spirits? What about breath odor?*

#2: It's a growing market, actually. If people went to a party the night before, they can continue to savor it in the morning—with the right flavor of toothpaste. If they didn't party the night before, they can feel a little melancholy about what they missed. Of course, we have the right additives—that is, tartar-control protection, fluoride and so forth.

Me: *Well, what do you think about the foodservice industry?*

#2: It's an outstanding opportunity for me. You see, we're developing several new lines of toothpaste that haven't been marketed before. We've got our wine line—i.e., a chardonnay toothpaste, a merlot toothpaste—and we have our beer line, i.e., a malt toothpaste and several others. Guess where my distribution outlets will be? Drugstores? No way! Restaurants and taverns, that's where! Operators can sell my toothpaste at the cashier's stand, or they can give it as a departure gift to their patrons.

Me: *Miss Teriyaki (#3), what do you do?*

#3: I'm a tattoo artist and have been for 30 er . . . er . . . make that 10 years. I've got some beautiful tattoos, most of which are tattooed on me. Let me show you a few.

Me: *No! No! That's quite all right, I'll take your word for it. What do you think of the foodservice industry?*

#3: I think it's unimaginative in terms of design—both exterior design and interior design. The exteriors are too boxy and too lateral. The interiors are too plain or overdone with only one theme. Exteriors should be circular, curvilinear or at least diagonal. Interiors need more variety in design and color. There's too much sameness and me-too-ism.

Me: *Well, that's an interesting viewpoint. Mr. Lemon (#4), what do you do?*

#4: I'm a hermit.

Me: *A hermit? What do you mean, a hermit? I thought hermits lived by themselves—off somewhere away from the general population.*

#4: Well, there are two types of hermits: the solitary hermit and the relative hermit. I'm the relative type. Although I do live in a cave off in yonder mountain, I mix with the public from time to time, such as today. I heard there would be refreshments here; so here I am.

Me: *Well, what do you think of the foodservice industry?*

#4: I have mixed emotions; I eat out a lot. By that I mean I have a little fire outside the entrance to my cave, and I prepare my meals out there. On the other hand, I've become interested in this concept of home delivery. I send my carrier pigeons to restaurants with my order tucked into the message capsule. All I get back are nasty notes telling me to keep my pigeons away from the front door or that my cave is outside the delivery zone of the restaurant. Restaurants need to do a better job of cave delivery.

I woke with a start. It was just a dream. The actual focus group went much better—but not that much better!

Fisher's Law #111: When you've got something important coming up, imagine it several times and program your actions and reactions to anticipate the dynamics that could occur. It could well affect the outcome.

Got a question?

The National Restaurant Association's Information Services and Library has the answers.

Call 800/424-5156 or 202/331-5960 Monday through Friday between the hours of 9 a.m. and 5 p.m. (Eastern Standard Time) and a library specialist will be happy to assist you.

The indomitable spud

Potatoes are still America's most frequently ordered side dish.

The U.S. Department of Agriculture's Economic Research Service reports that overall per capita potato consumption has remained relatively constant over the past 20 years. However, frozen potatoes have gained ground with consumers.

In 1989, consumption of potatoes on a farm-weight basis was 123 pounds per person (about 75 pounds in retail weight). Of that total, fresh potatoes and frozen potatoes each accounted for 38 percent, and the remainder went for potato chips, shoestrings, dehydrated potatoes and canned potatoes. By comparison, in 1979 fresh potatoes accounted for 41 percent of the total, and frozen potatoes represented only 34 percent.

According to CREST,* in 1989 potatoes were consumed on about one-third of all eater occasions,** making potatoes the most-often-ordered side dish. Thirty-six percent of upscale eater occasions included potatoes, as did 34 percent of midscale occasions and 31 percent of quickservice occasions. (See chart for additional information.)

Between 1986 and 1989, orders for mashed potatoes advanced a substantial 37 percent. Restaurant orders for french fries increased a slight 3 percent, and baked/stuffed-potato orders declined by more than 10 percent.

CREST stands for Consumer Reports on Eating Share Trends, a diary survey from one of the NPD marketing groups.

**An eater occasion is one meal eaten by one person.*

Where ordered

French fries were most often ordered in hamburger, fish/seafood, and barbecue restaurants. Stuffed potatoes were most often ordered in midscale steak, upscale steak, and fish/seafood restaurants. And mashed potatoes were most often ordered in midscale family steak establishments and quickservice chicken restaurants.

Orders for mashed potatoes advanced a substantial 37 percent.

According to a special National Restaurant Association/CREST study, in 1988 potatoes were consumed slightly more often at dinner (48 percent of all potato orders) than at lunch (43 percent). Snacks and breakfast each accounted for a small percentage of overall potato orders. Differences in consumption by various meal periods were evident among the varieties of potatoes. Although french fries were ordered slightly more often at lunch than at dinner, other varieties were ordered more often at dinner than at lunch, such as potato skins (56 percent of orders were at dinner) and mashed potatoes (59 percent). Nearly three-fourths (74 percent) of baked/stuffed potatoes were ordered at dinner.

Popular as an off-premises item

Potatoes are often consumed off-premises, especially at home. Of the 43 percent of french fries ordered in a restaurant for off-premises consumption, 23 percent were eaten at home, 10 percent were eaten in the car and 10 percent were eaten at work and other places. On the other hand, nearly all (92 percent) baked/stuffed-potato orders were consumed in a restaurant, compared to 73 percent of potato-skin orders and 60 percent of mashed-potatoes orders.

French fries popular with children

French fries were more popular with males and patrons younger than 45. Fifty-three percent of all french-fry orders were by males, and 27 percent of all french-fry orders were by children younger than 18.

According to CREST, in 1989 potatoes were consumed on about one-third of all eater occasions, making potatoes the most-often-ordered side dish.

Potato orders by restaurant type

Potatoes are included in about one-third of restaurant orders

Order	Percent of eater occasions* on which item was ordered: Industry	Quick-service	Mid-scale	Up-scale
Total potatoes	32%	31%	34%	36%
French fries	21	25	13	14
Potato skins	**	**	**	1
Baked/stuffed potatoes	3	1	7	13
Mashed potatoes	3	3	5	2
Other potatoes	4	3	8	6

*An eater occasion is one meal eaten by one person
**less than one-half of one percent
Source: 1989 NPD/CREST Annual Household Report

Side dishes

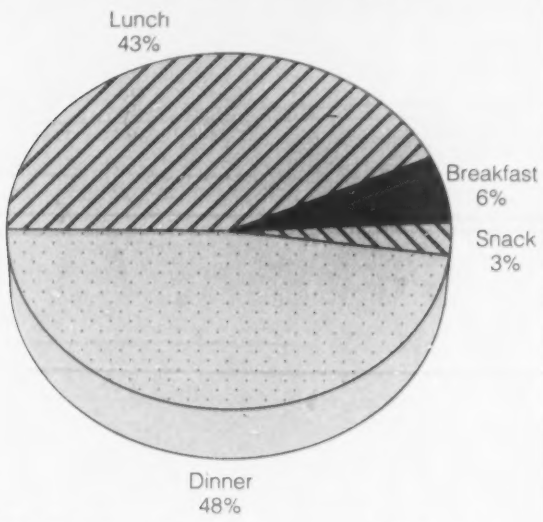
Potatoes are the most popular side dish

Side dish	Percent of eater occasions* on which item was ordered:
Potatoes	32%
Side-dish salads	12
Soup	4
Rice	2
Onion rings	1

*An eater occasion is one meal eaten by one person
Source: 1989 NPD/CREST Annual Household Report

Share of potato orders by meal period

Dinner captured the most orders



Source: 1988 National Restaurant Association/CREST study

The National Potato Board predicts that the recent democratization of Eastern Europe could spur a greater interest in menu items where potatoes are the main ingredient—such as goulash, borscht and potato pancakes.

Half of the french-fry orders were by adults between 18 and 44. In contrast, 52 percent of baked/stuffed/mashed potatoes were ordered by women, and a lower 48 percent were ordered by men. Thirty-eight percent of orders for baked/stuffed/mashed potatoes were placed by adults 55 and older, and an additional 46 percent were placed by adults between the ages of 25 and 54.

According to a 1989 national survey conducted by the National Potato Board, potato consumption in restaurants was most prevalent with steak (85 percent of adults) and hamburgers (67 percent of adults). Four out of 10 respondents ordered potatoes with fish—the same number that ordered potatoes with chicken. Although potatoes remain the most frequently ordered side dish and the one most widely consumed with various dishes, the study reports that consumption of pasta and rice have increased.

The Potato Board study found that attitudes toward potatoes have not generally changed, whereas consumer attitudes toward rice and pasta have improved. However, the National Potato Board predicts that the recent democratization of Eastern Europe could spur a greater interest in menu items where potatoes are the main ingredient—such as goulash, borscht and potato pancakes.

—Elizabeth Gordon

Spotlight on salads

Main-dish salads captured one restaurant order in 20 in 1989, while side-dish salads accounted for one in 10 orders.

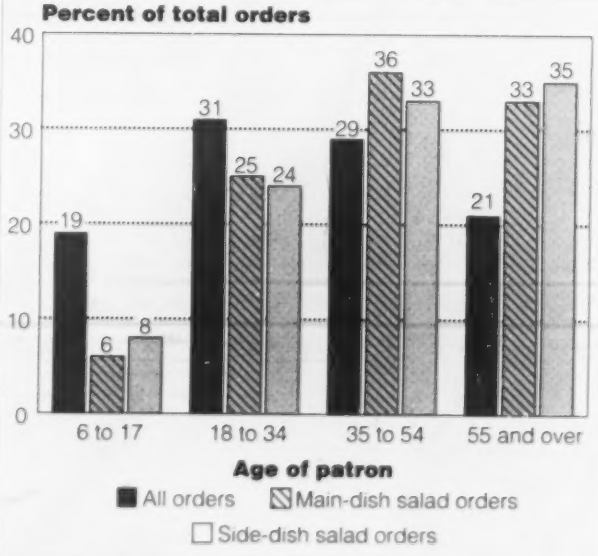
According to CREST, the number of salad orders in restaurants increased by 4 percent from 1986 to 1989 but declined by one percent in 1989. In 1989, 5 percent of restaurant orders were for main-dish salads ordered as an entree. A main-dish salad was ordered on 3 percent of quickservice restaurant eater occasions, 8 percent of upscale eater occasions and 9 percent of midscale eater occasions—particularly at midscale family steak restaurants. At midscale family steak restaurants, 35 percent of eater occasions included a main-dish salad, including 26 percent from a salad bar.

Overall, more than one customer in 10 (12 percent) ordered a salad as a side dish in 1989. Thirty-four percent of upscale eater occasions included a side salad, as did 21 percent of midscale eater occasions and 7 percent of quick-service eater occasions. Leaf side salads were ordered frequently in upscale fish/seafood restaurants, Italian restaurants and steak restaurants. Cole slaw, a side-salad selection, was ordered often from chicken, barbecue and fish/seafood restaurants. In fact, 51 percent of all quickservice fish/seafood restaurant eater occasions involved cole slaw.

Lunch accounted for 49 percent of all main-dish salad eater occasions, and dinner represented an additional 49 percent. Side-dish

Salad orders by ages

Salads are popular with mature patrons



Source: 1988 National Restaurant Association NPD/CREST survey

Per capita consumption of fresh commercial vegetables* in the United States

Vegetable consumption has been on the rise

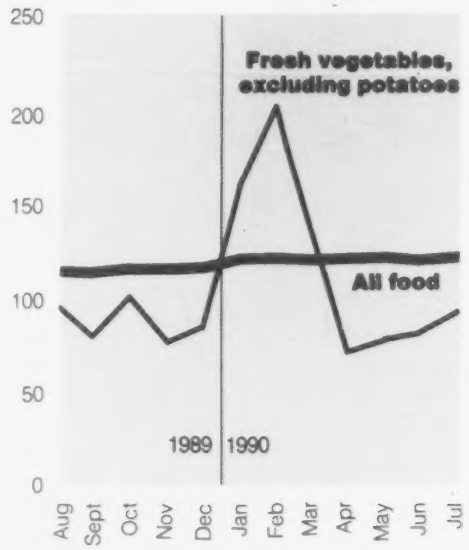
	Vegetables			
Year	Carrots	Lettuce	Onions and shallots**	Tomatoes
1982	7	24	15	11
1983	7	24	14	12
1984	8	24	15	13
1985	7	23	16	14
1986	11	24	16	15
1987	14	25	16	14
1988	12	26	17	15

**Retail weight. Numbers have been rounded. The population figures reflect July 1 data for each year.*
***Shallots represent less than 0.05 pound. These figures also include the fresh equivalent of dehydrated onions.*

Source: U.S. Department of Agriculture, Economic Research Service

Producer price indexes

A winter freeze in December sent vegetable prices soaring, affecting an already volatile market



Note: *April to July 1990 indexes are preliminary.*
Source: Bureau of Labor Statistics

salads, on the other hand, were ordered nearly twice as often at dinner (63 percent at dinner versus 35 percent at lunch).

Quickservice and midscale orders: leaf to leaf

In 1989, 40 percent of total salad orders were in quickservice restaurants, 40 percent in midscale establishments and 20 percent in upscale eateries. Between 1986 and 1989, the total salad-order share in quickservice restaurants increased by 4 percentage points, while the midscale segment's share of orders declined by 4 percentage points. More orders for taco salads occurred in quickservice restaurants than in any other segment, but midscale establishments captured the most leaf-salad and pasta-salad orders. (See accompanying chart.)

Surge in salads on menus

According to the National Restaurant Association's menu analysis,* the number of entree salads on table-service-restaurant menus grew by 57 percent from 1984 to 1989 as did the percent of entrees that were salads (7 percent to 11 percent).

Major gains in numbers were made by Cobb, Caesar, pasta, and chicken salads. Seafood and chef's salads accounted for the largest percentage of salads in 1984 and 1989, but they both declined slightly over the years as a percentage of total salads. (Seafood dropped from 24 percent of salads in 1984 to 21 percent in 1989; chef's salads declined from 20 percent to 15 percent.)

Snapshot of a salad consumer

According to a 1988 National Restaurant Association/CREST special study, 60 percent of women ordered a main-dish salad compared to 40 percent of men. Women also ordered a side-dish salad slightly more often than men (54 percent versus 46 percent).

**This information was taken from an analysis of randomly selected menus submitted to the National Restaurant Association's Great Menu Contest. Fifty menus were from 1984 entries and 50 menus were from 1989.*

The majority of salads ordered in restaurants were by consumers 25 to 64 years old. Consumers 65 and older ordered 17 percent of all main-dish salads and 19 percent of all side-dish salads. Patrons 75 years old and older ordered a salad twice as often as youngsters under 6. Children 17 and younger accounted for only 6 percent of all main-dish salad or-

Vegetable prices are down

According to the Bureau of Labor Statistics' Producer Price Index, in the second quarter of 1990, prices for fresh vegetables (excluding potatoes) were 35 percent below second-quarter prices in 1989. This price drop followed a considerable 55 percent increase in fresh-vegetable prices in the first quarter of 1990 (over the same period in 1989)—a result of the early-winter freeze in December 1989. Since that time, inclement weather has had less effect on overall vegetable output.

After the freeze came spring's bounty, reports the U.S. Department of Agriculture's Economic Research Service. There were fewer disease problems in Western lettuce areas, and there was increased acreage devoted to vegetable production in both spring and summer, which boosted fresh-vegetable output and lowered prices.

Share of salad orders

In 1989 quickservice and midscale restaurants were leaf-to-leaf in terms of the percent of total salads ordered

Segment	Percent of orders			
	Total salads*	Total leaf salads*	Total taco salads*	Total pasta salads*
Quickservice	40%	29%	64%	44%
Midscale	40	45	20	43
Upscale	20	26	16	13
All restaurants	**100%**	**100%**	**100%**	**100%**

**includes both main and side-dish orders*
Source: NPD/CREST

Consumption profile for fresh vegetables

According to the U.S. Department of Agriculture's Economic Research Service, per capita consumption of fresh vegetables* climbed 20 percent from 1983 to 1988 to reach nearly 90 pounds. In 1988, lettuce consumption reached 26 pounds per person, onion and shallot** consumption increased to 17 pounds, and tomato consumption climbed to 15 pounds. Carrots were the only fresh vegetable not to register an increase in consumption. Carrot consumption dropped to less than 12 pounds, more than a 15 percent decline from 1987.

** Includes asparagus, broccoli, carrots, cauliflower, celery, corn, lettuce, onions, and tomatoes.*
*** Shallots, less than 0.05 pound. Includes fresh equivalent of dehydrated onions.*

What consumers say

According to the National Restaurant Association's *Attitudes Toward Nutrition in Restaurants: Assessing the Market*, the vast majority of adults (84 percent) agreed with the statement that eating a lot of fruits and vegetables was important to them. In addition, more than half (55 percent) said they had tried reduced-calorie salad dressing in the past year—an 8 percent increase over a similar study in 1986. Moreover, 58 percent said they would be likely to order reduced-calorie salad dressing in the future.

ders and 8 percent of all side-dish orders.

Older consumers included a side-dish salad with their order more often than did younger patrons. For instance, customers 65 and older included a side-dish salad with 21 percent of their orders, compared to 16 percent of orders for patrons 45 to 64 years old and 10 percent of orders for patrons 18 to 44 years old.

Main-dish salads were more likely to be ordered by consumers with an annual household income of $40,000 or more (accounting for 32 percent of main-dish salad orders) than by those in income brackets below $40,000.

—Elizabeth Gordon

A new look at metropolitan areas

The baby-boom magnets

The Population Reference Bureau's recently released population bulletin, Metropolitan America: Beyond the Transition, *looks at the population changes that have occurred in metropolitan areas throughout the United States during the 1970s and 1980s and examines how population shifts have affected these areas. As the first in a series, this article looks at a particular group of metropolitan areas defined as "baby-boom magnets."*

What do Denver (CO), Washington (DC), Houston (TX), Austin (TX), Atlanta (GA), San Francisco (CA), Dallas (TX), Colorado Springs (CO), Portsmouth (NH-ME), and Las Vegas (NV) have in common? All 10 of these metro areas were defined as "baby-boom magnets" in the Population Reference Bureau's July 1990 population bulletin, on the basis of the proportion and growth of their 25 to 40-year-old population.

In each metro area more than 27 percent of the population was born between 1945 and 1960—the peak years of the baby boom—and the population of baby-boomers in these areas grew by more than 9.5 percent between 1980 and 1985.

Because baby-boomers are in their prime working and peak earning years, these 10 metro areas present a marketing opportunity to foodservice operators located in and around them.

A closer look

Among the areas defined as baby-boom magnets, nine out of 10 were among the largest 100 metropolitan areas in the United States in 1988 (Portsmouth was the only exception). Four—San Francisco,* Dallas,* Washington DC, and Houston*—were among the largest 10, and these four plus Atlanta and Denver* were among the largest 25 metro areas.

In addition to being large, all 10 metropolitan areas posted double-digit population expansion between 1980 and 1988, and all were among the top 80 metropolitan areas in terms of population growth during that period. Within the magnet group, San Francisco recorded the smallest population growth—12.6 percent, ranking 80th among all metropolitan areas in the United States. Austin posted the highest population growth—up

**Population data for these areas include people in their consolidated metropolitan statistical area (CSMA), a standard area defined by the Office of Management and Budget as "a large metropolitan complex" with a population of at least 1 million. The following list includes other areas tabulated within the CSMAs for the cities cited: San Francisco—also includes Oakland and San Jose; Dallas—also includes Fort Worth; Houston—also includes Brazoria and Galveston; Denver—also includes Boulder.*

Eating places in baby-boom magnet metropolitan areas
1987

Portsmouth had the lowest number of people per eating place among the baby-boom magnets

Metropolitan area	Number of eating places	Number of people per eating place	Eating-place sales ($000)
Atlanta, GA	4,085	670	$2,203,344
Austin, TX	1,251	598	558,512
Colorado Springs, CO	584	674	220,661
Dallas–Ft. Worth, TX	5,309	709	2,648,660
Denver–Boulder, CO	2,902	640	1,322,935
Houston–Galveston–Brazoria, TX	4,408	826	2,088,835
Las Vegas, NV	832	759	428,312
Portsmouth–Dover–Rochester, NH-ME	487	453	206,980
San Francisco–Oakland–San Jose, CA	10,077	600	4,667,936
Washington, DC–MD–VA	5,056	739	3,004,143
Total United States	**332,611**	**732**	**$139,281,605**

Source: *1987 Census of Retail Trade*, National Restaurant Association

39.5 percent, making it the seventh-fastest-growing metro area in the United States between 1980 and 1988.

Undoubtedly, the double-digit increase in the baby-boomer population in these areas is one reason for the rapid population expansion. Furthermore, baby-boomers are expected to remain in these areas in the years to come. According to William H. Frey, author of *Metropolitan America: Beyond the Transition*, the number of moves a person makes declines after age 40. Therefore, if these magnets can hold their attraction for baby-boomers, they are likely to benefit from the boomers settling down in the area for a good portion of their peak earning years.

The large concentration of baby-boomers (who are in their peak employment years) may also affect personal income in these areas. Seven out of 10 of the baby-boomer magnets recorded per capita personal income above the national average, which was $16,490 in 1988. Washington DC ($23,175) and San Francisco ($22,483) showed the highest per capita personal income, followed by Portsmouth ($19,285), Atlanta ($18,400), Denver ($18,256), Dallas ($17,884) and Las Vegas ($16,979). Magnets with personal income below the national average were Houston ($16,129), Colorado Springs ($15,464) and Austin ($15,342).

Why are they magnets?

Why are these 10 metropolitan areas so attractive to adults in the baby-boom generation? William H. Frey of the University of Michigan's Population Studies Center and author of *Metropolitan America: Beyond the Transition*, attributes it to several shared factors, including strong economies with numerous job opportunities, abundant urban amenities and an overall high quality of life.

This high level of income in many of the areas is likely to translate into increased spending on food away from home, and restaurateurs in these areas should see the direct benefit of the baby-boomers' presence.

According to William H. Frey, author of* Metropolitan America: Beyond the Transition, *the number of moves a person makes declines after age 40.

Restaurateurs can benefit from large boomer population

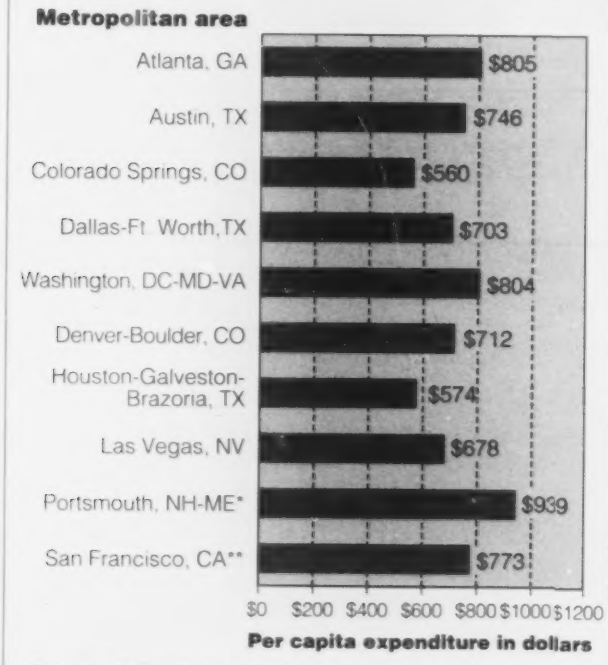
According to *1987 Census of Retail Trade* data, nine out of 10 of these baby-boomer magnets already have a higher per capita expenditure at eating places than the nation as a whole. Only Colorado Springs had per capita eating-place sales that were below the national average—$560 versus $572 per person per year. (See graph.)

Data from the *1988 Consumer Expenditure Survey* indicate that many baby-boomer households spent a large proportion of their food dollar on food away from home. Households headed by an individual between the ages of 25 and 34** with an annual income of $40,000 or more allocated 50 percent of their food budget to food away from home. A similar proportion of the food dollar (49.7 percent) was spent by households headed by an individual between the ages of 35 and 44 with the same income.**

Moreover, as the age of the household head increased, so did per capita spending on food away from home. (The income

Per capita expenditures at eating places 1987

Portsmouth had the highest per capita expenditure at eating places of all the baby-boom magnet cities



*Includes Dover, NH, and Rochester, ME
** Includes Oakland, San Jose, Santa Cruz, Santa Rosa, Petaluma, Vallejo, Fairfield and Napa, CA
Source: *1987 Census of Retail Trade*, Population Reference Bureau; *Survey of Current Business*, April 1990; National Restaurant Association

Change in inflation and menu prices in selected baby-boom magnets, 1988-1989

Of the selected baby-boom magnets, Atlanta posted the highest menu-price inflation

	Percent change in Consumer Price Index (CPI)	
Metro area	**CPI-U* all items**	**CPI-U* food away from home**
Atlanta, GA	4.7%	5.8%
Dallas–Ft. Worth, TX	2.9	3.8
Denver–Boulder, CO	1.8	5.2
Houston–Galveston–Brazoria, TX	4.2	2.2
San Francisco–Oakland–San Jose, CA	4.9	4.4
Washington, DC–MD–VA	5.8	4.4
Total United States	**4.8%**	**4.6%**

*Consumer Price Index for all urban consumers
Source: Bureau of Labor Statistics, Consumer Price Index, 1988 and 1989

was $40,000 or more per year in all cases.) For households headed by a person between the ages of 25 and 34, per capita spending on food away from home was $899 in 1988. That figure dipped slightly for households headed by an individual between 35 and 44 ($856), most probably due to the presence of young children. Per capita spending on food away from home reached $1,026 for households headed by a person between 45 and 54 and $1,028 for households headed by a person between the ages of 55 and 64. (See sidebar for additional information about restaurant spending.)

***Note that the consumer-expenditure survey data was given for households with an annual income of $40,000 or more, because they represent the largest number of households for each age category given. These data represent 22.3 percent of households headed by an individual between 25 and 34, 35.6 percent of households headed by an individual between 35 and 44, 39.4 percent of households headed by an individual between 45 and 54, and 24.2 per cent of households headed by an individual between 55 and 64.*

Where baby-boomers go to eat

Clearly, baby-boomer households spend a large proportion of their food dollar on food away from home. But there are differences in eating-out preferences between younger baby-boomers (between the ages of 25 and 34) and their older counterparts (between the ages of 35 and 44). According to a 1988 National Restaurant Association CREST special study, younger boomers were more inclined to eat off-premises than were their older counterparts—53 percent compared with 49 percent. Both groups, however, are above-average users of drive-thrus, takeout and delivery.

Quickservice restaurants were by far the most frequented segment by both groups of baby-boomers. They account for 75 percent of visits by those 25 to 34 years old and 70 percent of visits by those between the ages of 35 and 44.

Older boomers recorded a substantially larger proportion of their visits to midscale restaurants than did their younger counterparts—21 percent compared with 17 percent. Upscale restaurants were visited in nearly equal proportions by both groups—8 percent of visits by persons 25 to 34 years old and 9 percent of restaurant visits

Restaurant spending

Because restaurant spending is influenced by age, income, household composition, occupation and region, the National Restaurant Association's research department has published detailed *Consumer Expenditure Survey* data in a new publication, *Restaurant Spending: Consumer Expenditures on Food Away From Home 1988*.

The report (CS730) is available to members for $25 and to nonmembers for $50 (overseas orders require a 20 percent surcharge). All orders must be prepaid.

Send a check or money order to the National Restaurant Association Publications Department, 1200 17th Street, N.W., Washington DC 20036. For credit-card orders, call the association's information services department at 1-800-424-5156 or (202) 331-5960 in Washington DC between 9 a.m. and 5 p.m. (Eastern Standard Time).

by persons 35 to 44 years old.

Moderate-check establishments captured the lion's share of total upscale restaurant visits for both groups of boomers (77 percent and 74 percent of total upscale visits, respectively).

Both supper and lunch were popular meal periods. Supper represented 40 percent of restaurant visits for baby-boomers between 25 and 34 years old and 39 percent of visits for their older counterparts. Lunch captured 38 percent of visits for both groups. Breakfast was slightly more popular with the older boomers than with their younger counterparts, accounting for 12 percent of visits by those 35 to 44 and 11 percent of visits by those 25 to 34.

What baby-boomers eat

According to the association's special CREST study, among adults between the ages of 25 and 34, eight foods or groups of foods were ordered on more than one restaurant visit out of 10. They are, in descending order: soft drinks (36 percent), sandwiches (35 percent), french fries (19 percent), hamburgers and cheeseburgers (19 percent), breakfast foods (18 percent), pizza (14 percent), desserts (12 percent) and side-dish salads (10 percent).

Favorite foods among adults beween 35 and 44 years of age were sandwiches (33 percent), soft drinks (31 percent), breakfast foods (20 percent), hamburgers and cheeseburgers (17 percent), french fries (15 percent), pizza (12 percent), desserts (12 percent) and side-dish salads (12 percent).

—Nancy Michalski

Pretax income varies by size of metropolitan area

For the first time, restaurant financial and operating data are available by size of metropolitan area. According to the association's recently released Restaurant Industry Operations Report—1990, *full-menu tableservice operators in metropolitan areas with a population between 500,000 and 1,999,999 posted the highest pretax income.*

This year's National Restaurant Association *Restaurant Industry Operations Report* contains a host of restaurant-operating statistics by size of metropolitan area. Analysis of this new information reveals financial operating differences among restaurants on the basis of the size of the metropolitan area in which they are located.

Best pretax income in mid-size metro areas

In 1989 full-menu tableservice restaurants located in mid-size metropolitan areas (population of 500,000 to 1,999,999) reported a median pretax income per seat of $255—more than double the $114 per seat posted by operators in large metro areas (population of 2 million or more) and noticeably higher than the $82 per seat recorded in small metro areas (population less than 500,000).

On a ratio-to-total sales basis, full-menu tableservice establishments located in mid-size metro areas also recorded the highest median pretax income—4.7 percent of total sales. By comparison, operators in both small and large metro areas reported a lower ratio of pretax income to total sales of 1.8 percent.

Occupancy costs are critical

An important factor in these pretax-income variances among full-menu tableservice operators is restaurant occupancy costs. In 1989 full-menu tableservice survey participants located in mid-size metro areas reported a median occupation cost of $379 per seat, or 6.6 percent of total sales.

Operators in large metro areas posted a much higher median occupation cost—$559 per seat, or 7.2 percent of total sales. These higher occupancy costs were driven by larger rent expenses, reflecting the elevated rent expenses associated with locating in large metropolitan areas.

An important factor in these pretax-income variances among full-menu tableservice operators is restaurant occupancy costs.

For full-menu tableservice operators located in mid-size metro areas, median rent expenses were $299 per seat, somewhat higher than the $242 per seat recorded by operators in small metro areas. However, median rent expenses

Occupation costs at full-menu tableservice restaurants as a ratio to total sales* by size of metropolitan area, 1989

Restaurants located in metropolitan areas with a population of 2 million or more posted the highest rent expense

	Metropolitan-area population		
Occupation costs	**Less than 500,000**	**500,000-1,999,999**	**2,000,000 or more**
Rent	5.0%	5.1%	5.7%
Property taxes	0.6	0.5	0.5
Other taxes	0.4	0.3	0.4
Property insurance	1.3	1.2	1.1
Total occupation costs	**6.8%**	**6.6%**	**7.2%**

* median values

Source: National Restaurant Association, *Restaurant Industry Operations Report—1990*

Selected income and expenses per seat* at full-menu tableservice restaurants by size of metropolitan area, 1989

Operators in metropolitan areas with a population of 500,000 to 1,999,999 reported the highest pretax income

	Metropolitan-area population		
	Less than 500,000	**500,000 to 1,999,999**	**2,000,000 or more**
Sales			
Food	$3,551	$4,657	$6,119
Beverage	850	1,191	1,804
Total sales	*4,676*	*5,811*	*7,815*
Cost of sales			
Food	1,361	1,580	2,074
Beverage	219	314	431
Total cost of sales	*1,694*	*1,838*	*2,414*
Gross profit	3,004	3,828	5,253
Other income	44	37	28
Total income	*3,180*	*3,935*	*5,284*
Controllable expenses			
Payroll	1,422	1,687	2,232
Employee benefits	201	320	502
Direct operating expenses	289	338	432
Music and entertainment	12	20	40
Advertising and promotion	89	126	151
Utilities	159	187	233
Administrative and general	159	194	449
Repairs and maintenance	88	115	137
Total controllable expenses	*2,648*	*3,110*	*4,286*
Income before occupation costs	710	897	1,176
Occupation costs			
Rent	242	299	419
Property taxes	29	35	32
Other taxes	19	17	31
Property insurance	56	59	75
Total occupation costs	*303*	*379*	*559*
Income before interest and depreciation	347	489	495
Interest	77	73	136
Depreciation	135	147	198
Restaurant profit	$ 145	$ 244	$ 208
Other deductions	82	62	266
Income before income taxes	$ 82	$ 255	$ 114

**median values*

Source: National Restaurant Association, *Restaurant Industry Operations Report—1990*

jumped to a much higher $419 per seat for operators located in large metro areas. Although restaurants located in the large metro areas did report higher total sales per seat, the substantially higher occupancy costs associated with large metropolitan areas acted to dampen pretax income.

Controllable expenses play contributing role

A restaurant's controllable expenses include its payroll, employee benefit costs and direct operating expenses as well as utility, music, entertainment and administrative expenses. Analysis of controllable restaurant expenses by size of metro area highlights certain expenses that tend to be higher in large metro areas. For example, music and entertainment expenses accounted for 0.5 percent of total sales, or $40 per seat, at full-menu tableservice establishments in large metro areas. In comparison, entertainment expenses captured a lower 0.2 percent of total sales, or $12 per seat, at establishments in small metro areas.

This same pattern of higher expenditures in large metro areas is also apparent in restaurant administrative and general costs. This expense category, which is generally considered restaurant overhead, includes such expenses as telephone and postage, as well as commission on credit-card charges and general insurance costs. In 1989 overhead costs at full-menu tableservice establishments in large metro areas captured 5.8 percent of total sales, or $449 per seat. However, overhead costs accounted for a lower 3.6 percent of total sales, or $159 per seat, among restaurants located in small metro areas.

—Hudson Riehle

How to order the report

A copy of *Restaurant Industry Operations Report—1990* (CS955) is available to association members for $39 and to nonmembers for $78. This includes shipping and handling charges (overseas orders require a 20 percent surcharge). All orders must be prepaid.

You may order the report by sending a check or money order to the National Restaurant Association Publications Department, 1200 17th Street, N.W., Washington DC 20036. For credit-card orders, call the association's information service and library between 9:00 a.m. and 5:00 p.m. (Eastern Standard Time) at 1-800-424-5156 or (202) 331-5960 in Washington DC.

Foodservice Market Measure—July 1990

The Foodservice Market Measure posted a significant decline in foodservice patronage in July. Forty-five percent of adults reported they were patrons on a typical July day. The magnitude of the decline was unexpected. Although this level of patronage is similar to April's 47 percent, it came at the peak of summer and prior to the beginning of the Iraqi crisis, which has since driven gasoline prices upward. Preliminary sales data from the U.S. Department of Commerce indicate that the rate of gain for eating and drinking place sales may have slowed in July as well.

A major decrease occurred in the number of adults who reported eating on premises on a typical July day—down to 31 percent in July from 38 percent in June. This was the lowest level of on-premises patronage since the Market Measure was reintroduced in January 1990 and significantly below the 37 percent average for the first half of 1990. The percent of adults reporting that they purchased takeout food was down as well, although the decrease was much more modest.

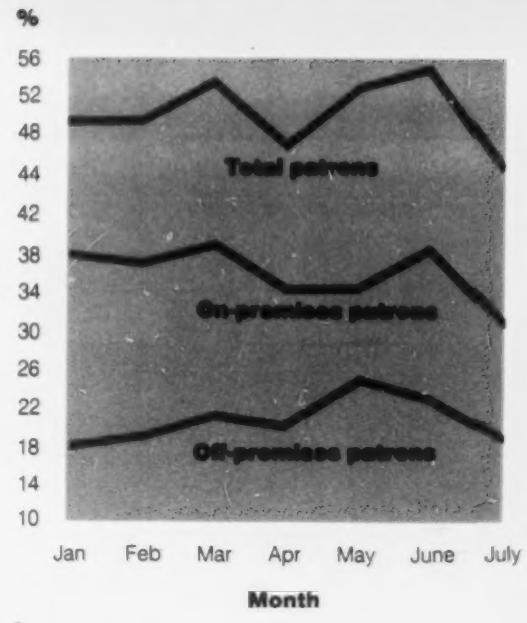
A look at patronage by meal period pinpoints where the decline occurred and suggests it is related to fewer foodservice lunches during a month when many take vacations from their jobs. Lunch was the only meal period recording a significant June-to-July decrease. Furthermore, the 22 percent of adults patronizing a foodservice establishment for lunch on a typical July day was the lowest since the Market Measure was reintroduced in January 1990 and well below the 30 percent average for the first half of the year. Both on and off-premises businesses were affected by the dip in lunch patronage.

Percent of adults who were foodservice patrons at lunch on a typical day
January–June 1990

	Percent of adults
Males	33%
Females	26
Employed women	29
Women not employed	17
18 to 24-year-olds	40
25 to 34-year-olds	35
35 to 44-year-olds	30
45 to 54-year-olds	27
55 to 64-year-olds	23
65+ year-olds	19
Monday	30
Tuesday	31
Wednesday	33
Thursday	30
Friday	30
Saturday	26
Sunday	28

Source: National Restaurant Association Gallup Survey

Percent of adults who were foodservice patrons in 1990



Source: National Restaurant Association Gallup Survey

Lunch business

Market Measure data for the first six months of 1990 show how lunch patronage differs by demographic characteristics.

□ Men, who are more likely to be in the labor force than women, are more likely to be lunch patrons.

□ Employed women are more likely than nonworking women to be lunch patrons.

□ Younger adults are more likely to be lunch patrons than their older counterparts.

□ Adults are more likely to be lunch patrons during the week—when most of them are at work—than on weekends.

—Susan Mills

Foodservice Market Measure

The Foodservice Market Measure is based on 1,000 telephone interviews, conducted by the Gallup Organization each month, with a nationally representative sample of adults age 18 and older. Each person is asked the same questions:

1. Which of the following did you do yesterday?

□ Ate on the premises of a restaurant, fast food place, cafeteria or any other place where you purchased a meal or snack.

□ Purchased takeout food "to go" or had it delivered.

2. Was the food you ate on premises yesterday for breakfast, lunch, dinner or a snack?

3. Was the takeout food you purchased or had delivered for breakfast, lunch, dinner or a snack?

The monthly tracking of purchases is supplemented by quarterly inquiries on topics of industry interest.

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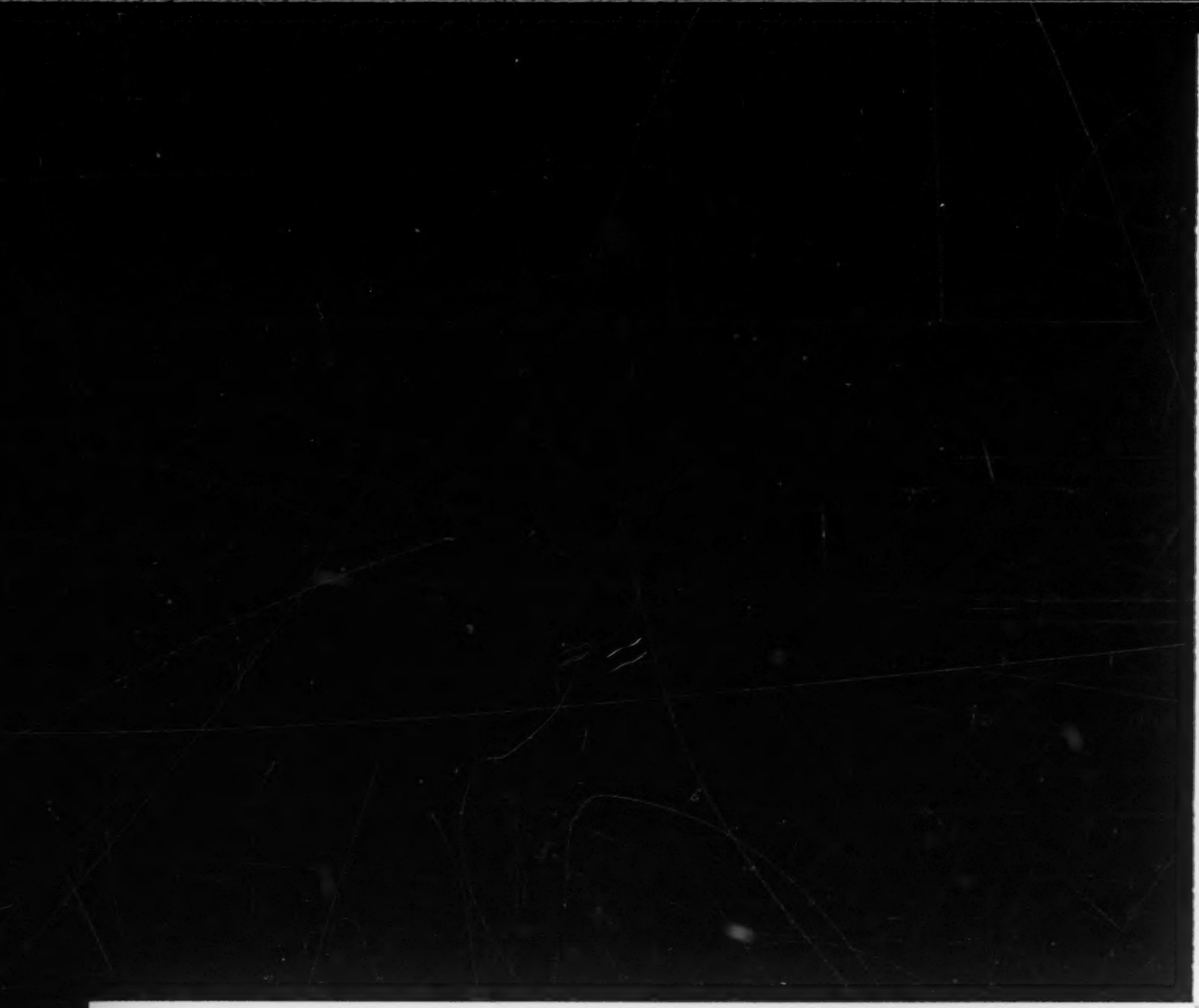

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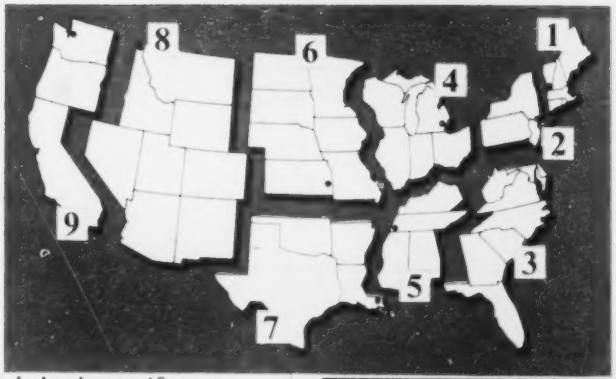

1 NEW ENGLAND

Location: Wilmington, VT
Association members: Christine and Sonny Gates
Operation: Cup and Saucer
Profile: Small, diner-style restaurant
In business: 7 years
Seats: 25 counter seats
Meals served: Breakfast, lunch, dinner—Friday through Sunday

"We have a base of local folks, but it's thinned out because of lack of work [in our area]," says co-owner **Sonny Gates.** "During the mid-week it is slow because construction is off, but the weekend business is good." Because the restaurant is situated on Route 100, there is also some tourist trade.

The Cup and Saucer, run by Gates and his wife Christine, has a loyal breakfast following for such standbys as the hot-sausage and cheddar cheese omelette.

"The same ol' fellows come in and shoot the bull—tell all the gossip in town." The restaurant's design makes it easy for the clientele to chat, says Gates. The counters are horseshoe-shaped, with lowboy stools. "You can sit around like you're at a big family table and talk," he says.

The restaurant offers a coupon promotion to encourage repeat business: A customer's fifth meal is half-price, and the 10th meal is free.

2 MID-ATLANTIC

Location: New York, NY
Association member: Michael Safdiah
Operation: The Black Sheep
Profile: Upscale restaurant offering country French cuisine
In business: 13 years
Seats: 60
Meal served: Dinner

Michael Safdiah, owner of The Black Sheep, says he has "heard horror stories about other restaurants, but we're doing O.K." Safdiah is keeping his restaurant from becoming another horror story by "spending an enormous amount of time talking with the customers to find out why they are pleased or displeased," he says. "In a city with so many restaurants—where the waiters are often merely plate carriers—we take pride in what we do, and I think that has counteracted the economic downswing."

Safdiah says he has not followed other restaurants and downscaled his operation, which serves country French cuisine that averages between $24 and $31 a meal. The clientele is 30 percent local and 70 percent destination-oriented. "More and more locals are coming in. We are in a lot of guides, and we've been here a long time. People come from California and England to eat here because their friends told them, 'When you're in New York, you have to go to The Black Sheep,' " he says.

What engenders such loyalty? Safdiah points to the atmosphere at the restaurant. "We are a very atypical New York restaurant. What makes it special is the surprise people get when they get a warm welcome," he says.

3 SOUTH ATLANTIC

Location: Marco Island, FL
Association members: Dennis Passini and Stanley Banks
Operation: The Snook Inn
Profile: Casual seafood restaurant
In business: 5 years
Seats: 190
Meals served: Lunch, dinner

"The realtors here are singing the blues, but we're 30 percent ahead of last year, and last year we were 20 percent ahead of the year before," says **Dennis Passini,** co-owner of The Snook Inn.

The restaurant's success lies in effective management and having established a good work crew, says Passini. "In '85 it was horrible to find help. But since then I've established a good crew; our people told others that we were good to work for. I haven't had to advertise for help in two years; word of mouth works best for us."

Located on the Marco River, the inn is reached by boat or car. The location is a big part of the inn's appeal, says Passini. "We have an old-Florida atmosphere with large saltwater fish tanks . . . one dining room sits right on the water. The other day we had a view of about 20 manatees right at the mouth of the river. We see dolphins all the time, too." January through April brings a lot of tourist trade, enough to go through 800 pounds of grouper a week. After the season ends, local business keeps the inn a year-round restaurant.

One of the restaurant's specials is an all-you-can-eat New England clambake dinner for $12.95.

4 EAST NORTH CENTRAL

Location: Southfield, MI
Association member: Reid Ashton
Operation: Golden Mushroom Restaurant
Profile: Upscale restaurant
In business: 15 years
Seats: 160
Meals served: Lunch, dinner

Although August was a little slow, the Golden Mushroom Restaurant was very busy this summer, says manager **Kevin Frantz.** "We get a lot of business clientele, and our reputation has spread throughout the community," he says.

The Golden Mushroom specializes in wild game and a wide variety of wild mushroom dishes; its pate de foie gras has won raves from patrons and critics. Most of the kudos can be attributed to master chef Milos Cihelka, who has been with the restaurant for 12 years.

In addition to the Golden Mushroom, owner Reid Ashton operates the more casual "Mushroom Cellar," which adjoins the fine-dining establishment.

5 EAST SOUTH CENTRAL

Location: Memphis, TN
Association member: Jerry Coletta
Operation: Coletta's Italian Restaurant, two units
Profile: Midscale, family restaurant
In business: 67 years
Seats: 175 in one unit, 185 in the other

Meals served: Lunch, dinner

Jerry Coletta, owner of two Coletta's Italian Restaurants, has worked in the original restaurant since he was a child. His grandfather opened the restaurant in 1923, then passed it on to Coletta's father. As the years passed, Coletta says, he has noted increased competition. But even with the competition, Coletta says, "Business is fine." He has also noticed that his current clientele want more value for their dollar.

The restaurant does a lot of local business and draws in customers of all ages with a billboard on Interstate 240. The ravioli—made on site—is a favorite with locals.

Coletta opened his second restaurant in 1959 and offers the same menu and food as in the original location.

6 WEST NORTH CENTRAL

Location: Fort Scott, KS
Association members: Joyce and Karl Flanner
Operation: Flanner's Owl Roost
Profile: Midscale restaurant
In business: 6 years
Seats: 104
Meals served: Breakfast, lunch, dinner

Several industry closings in Fort Scott, Kansas, have caused the town to shrink from 10,000 residents to 7,500. Some restaurants have shut down because of this exodus, but business is still good at Flanner's Owl Roost, says co-owner **Karl Flanner.** "We have a steady clientele of locals—older folks who are real faithful customers," he says.

Flanner's restaurant is located on Highway 69, the only way to enter Fort Scott from the south, so the restaurant gets a lot of highway traffic and tourists visiting the historical fort for which the town is named. When Flanner bought the restaurant in 1984, then called The Owl's Roost, he inherited more than 200 owls—in pictures and as planters, candle holders, pewter statues and cups. "Owls don't really appeal to me, but everyone in town was used to them. So we just tacked on Flanner's to the Owl Roost to get our name. We've also collected some other owl things since we've been here," says Flanner.

Being surrounded by owls sometimes prompts unusual requests. "People ask us if we sell owl eggs, and they make a lot of jokes. It gives everybody something to talk about," he adds.

7 WEST SOUTH CENTRAL

Location: Manchac, LA
Association members: Susie and Joe Lamonte, Helen and Dick Smith
Operation: Middendorf's
Profile: Two midscale seafood restaurants, side by side
In business: 56 years
Seats: 200 in each restaurant
Meals served: Lunch, dinner

"We're doing better every year," says **Susie Lamonte,** co-owner of Middendorf's. "We're past the slump. It's been the lowest it's going to be, and we've adjusted to what we have to do to maintain business."

The circa-1935 roadside cafe was opened by Lamonte's grandparents—the Middendorfs. It then passed to Lamonte's parents and finally to her and her husband in 1976. Lamonte has worked in the restaurant, which specializes in Louisiana seafood, for 20 years. "It's wonderful working with your family; I wouldn't want to work with anyone else," she says.

Lamonte operates two restaurants, 200 feet apart. "There is the main restaurant and then one we open on weekends for overflow. Both have the same menu and same food. We just chose not to connect them," she says.

Middendorf's is about 45 minutes away from the Big Easy. Now that the Aquarium of the Americas has opened, Lamonte says she has noticed a pick-up in business.

8 MOUNTAIN

Location: Bonners Ferry, ID
Association member: Kris Quillin
Operation: 3-Mile's Cafe
Profile: Midscale family restaurant
In business: 11 years
Seats: 53
Meals served: Breakfast, lunch, dinner

This restaurant—aptly named since it is three miles north of Bonners Ferry—is enjoying good business, according to owner **Kris Quillin.** What she is not enjoying is the shortage of help.

"We are definitely (and you can put that in all caps) experiencing a labor shortage," she says. Although she has advertised in bigger cities trying to find employees, people often don't want to relocate.

The cafe is located at the intersection of two main highways, which brings in quite a bit of traffic. In the summer, there is an even split between tourists and locals. The winter crowd consists mostly of locals, some of whom come for the all-you-can-eat fish on Friday nights.

Quillin says her cafe, which is "pretty plain and homey," provides a friendly atmosphere and lays claim to serving the "world's largest chicken-fried steak."

9 PACIFIC

Location: Marysville, WA
Association members: Beverly and Arthur Pins
Operation: Restaurant Chanticleer
Profile: Upscale restaurant
In business: 2½ years
Seats: 48
Meals served: Breakfast, lunch, dinner

"We're not doing too badly. We pay all our bills," jokes **Beverly Pins,** co-owner of Restaurant Chanticleer. "We're in a small, previously rural farming community, which is now becoming a bedroom community for Seattle. We were a little ahead of the change."

Almost all of the restaurant's business comes from Marysville or from other small towns nearby—although in the beginning local business was hard to win, says Pins. "We were told by local professionals that the locals would take about a year to come around, and they did," she says.

All the baking is done on the premises. Breakfast patrons enjoy fresh muffins and croissants with their omelettes, and the lunch crowd eats deli sandwiches on Chanticleer-made bread. The decor is country French, with whitewashed wood, pink tile and florals.

—Jennifer Batty

Bienvenidos a la estrella

Carl's Jr., the Anaheim-based fast food chain, has begun speaking to its Spanish customers in their own language.

The campaign includes TV spots as well as translations on menu boards and in-house advertising items at many locations. Workers at one-third of the Carl's Jr. units wear buttons that read "Bienvenidos a la estrella" —"Welcome to the star."

Even the chain's founder, Carl Karcher, is testing his Spanish skills in the ads when he signs off with "Los esperamos" ("we're waiting for you").

Although this Spanish campaign is the first for Carl's Jr., it won't be the last: More than 40 percent of the chain's customers are Hispanic.

—Los Angeles Times

Fly-thru fast food?

Drive-thru windows at fast food restaurants are almost mandatory in today's convenience-driven economy, but few establishments expect a landing. At a McDonald's in Charlotte, North Carolina, a 100-foot-tall hot-air balloon set down in a nearby field one morning when two passengers got hungry for a McDonald's breakfast.

Once safely on the ground, passenger Karen Hinson rushed in for the food, and then the group ascended once again to dine "al fresco."

—The Washington Times

Kentucky-Fried facelift

The home for finger-lickin' food in Los Angeles has broken with tradition. Gone is the fake mansard roof with its oversized Colonel Sanders bucket. In its place is an avant-garde structure that resembles a pile of architectural building blocks, designed by modernists Elyse Grinstein and Jeffrey Daniels in the Frank Gehry style.

To emphasize the theatricality of the design, the building is clad in a vivid mixture of materials. The light-gray-and-green stucco facade and ribbed metal siding are topped with sloping zinc roofs of red and blue and highlighted by exposed ventilation ducts and bright-yellow balcony railings. The whole motif echoes the famous 1950s L.A. coffee shops that once dotted the city, but it has been redone in a 1990s idiom.

The two-story restaurant is radical in its interior layout as well. Customers order at the ground-floor counter and then proceed upstairs to the airy, high-ceilinged dining room lit by a large skylight and a curved glass wall. Their food is delivered by a dumbwaiter.

Above all this flash and shimmer, however, lurks one familiar, constant symbol—the bearded visage of the Colonel himself. He sits slightly askew atop the uppermost block, reminding all who pass that this is still—above all—a home to his chicken.

—Los Angeles Times

Value for the dollar

When *Travel Holiday* magazine reintroduces its "Guide to Fine Dining" in its December issue, it will be under a new title—"Good Value Dining Guide."

This new appellation is apt, because the guidebook will base its restaurant ratings almost entirely on price—to help readers seeking the best value for their dollar.

With the new approach come new categories. Ratings for service, cuisine and atmosphere have been replaced by spendability rankings: "Worth a splurge," for expensive and the best a city has to offer; "solid hits," for the best of the middle to upper-middle price range; and "great buys," where the dollar goes especially far.

More than 300 restaurants in the United States and Canada will be reviewed in the guide. Each establishment, regardless of category, will have to meet basic "good-value" requirements, including high-quality food prepared with skill and creativity, a knowledgeable and professional staff, a comfortable and appealing atmosphere, and consistency.

Restaurant evaluations will be led by Dorie Greenspan, editor of the "Food and Wine Newsletter of the James Beard Foundation," plus a team of local experts.

—Travel Holiday

Managers must be motivators

Managers get pulled in a hundred different directions at once; they are expected to be everything to everyone. A recent national survey of executives, however, points clearly toward management's key responsibility—motivation.

According to this survey—developed by Robert Half International and based on interviews with vice presidents and personnel directors of 100 of the nation's top 1,000 corporations—53 percent of respondents indicated that employee motivation and leadership is the most important management responsibility. Twenty-six percent of those surveyed mentioned pleasing shareholders as the primary task; and other operating tasks, such as sales and marketing, increased productivity and recruiting, accounted for a combined total of 21 percent.

—Robert Half International Inc.

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